

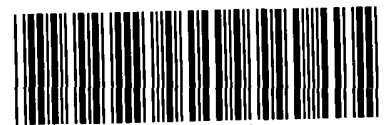
Registration number: 3683003

# Rollalong Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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## **Rollalong Limited**

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## **Rollalong Limited**

### **Company Information**

<b>Directors</b>	J D Clarkson
	J W Newman
	R J Newman
	S Chivers
	D E Moore
<b>Company secretary</b>	A S Harrison
<b>Registered office</b>	Woolsbridge Industrial Estate
	Three Legged Cross
	Wimborne
	Dorset
	BH21 6SF
<b>Bankers</b>	HSBC Bank PLC
<b>Auditors</b>	RSM UK Audit LLP
	Chartered Accountants
	Third floor
	One London Square
	Cross Lanes
	Guildford
	GU1 1UN

## Rollalong Limited

### Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

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

Turnover for the year ended 31 December 2021 was £12.1 million, an increase compared to the previous year. The operating loss before taxation amounted to £0.4 million (2020: £0.1m profit). The directors declared and paid a dividend of £1.5 million (2020: £nil).

Although a relatively quiet year in terms of construction, Rollalong continues to make great strides in product development and diversification into new markets, and management expects this to bear fruit in the coming years. Its range of high quality modular housing is gaining market share both within the social and private residential sectors, aided by Rollalong's market-leading reputation for quality and safety.

The company's key financial and other performance indicators during the year were as follows:

<b>Financial KPIs</b>	<b>Unit</b>	<b>2021</b>	<b>2020</b>
Sales	£'000	12,082	10,395
Gross Profit	%	8	16
Stock	£'000	1,557	1,332

#### **Financial instruments**

The company uses financial instruments, other than derivatives, comprising overdrafts, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main risks arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

#### ***Principal risks and uncertainties***

##### **Key contract risks**

The company can rely heavily on a small number of core contracts. This could lead to the risk of over reliance on key contracts, price pressure, default and not achieving the expected orders. To mitigate these risks, the company keeps in close contact with its customers to ensure that the contracts progress in accordance with customer expectations and that any concerns are addressed. The company also monitors the customers by their performance with their stakeholders. By reviewing the customer base and market concentration and diversifying into new sectors and regions, the company can try to mitigate some of these risks.

##### **Key staff**

The company recognises the risks in selecting, training and retaining the people we need. To mitigate the risks management regularly review human resources and share best practice across all departments. The company also ensures regular reviews of development, opportunities, appraisal and succession planning.

##### **Competition risk**

The company operates in a highly competitive market. Combined with budgetary constraints this could lead customers to accept lower cost competitors and substitute products leading to price pressure, margin erosion or lost business. We aim to build strong relationships with our key customers including reviews of products, pricing and other demands, whilst also ensuring that operational efficiencies are sought, enabling lower cost manufacturing to drive margin improvements. We also monitor our competitors and any potential new entrants to the market.

## **Rollalong Limited**

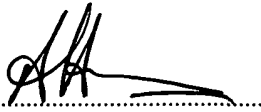
### **Strategic Report for the Year Ended 31 December 2021**

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

##### **Liquidity risk**

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. Short term flexibility is achieved by overdraft facilities.

Approved and authorised by the Board on 29 March 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A S Harrison', written over a dotted line.

A S Harrison  
Company secretary

## **Rollalong Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Principal activity**

The principal activity of the company is the design, manufacture and installation of high quality modular buildings and portable accommodation.

#### **Director of the company**

The directors who held office during the year were as follows:

J D Clarkson

J W Newman

R J Newman

S Chivers

D E Moore

#### **Future developments**

Rollalong continues to make great strides in product development and diversification into new markets. Its range of high quality modular housing is gaining market share both within the social and private residential sectors, aided by Rollalong's market-leading reputation for quality and safety. Management expects this to bear fruit in the coming years.

#### **Research and development**

The company places strong emphasis on research and development which is needed to expand the scope of the products and manufacturing techniques required to meet the changing demands of the customers and the markets we serve. The expense in the year is shown in note 5.

#### **Environmental matters**

Streamlined Energy and Carbon Reporting

Under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, together with the accompanying government guidance 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019', the Company is entitled to take exemption from reporting on its energy consumption.

This information is instead reported at consolidated level in the financial statements of the Company's ultimate parent, Newship Group Limited.

#### **Employment of disabled persons**

The company gives equal opportunities to disabled persons wherever possible both in recruitment and career development.

#### **Employee involvement**

The directors attach the greatest importance to the development of employee involvement throughout the company based on good communications and working relationships. Consultation takes place through normal contacts with departments and in meetings at all levels of employees to assist the employees to become more aware of the financial and economic factors affecting the performance of the company.

## **Rollalong Limited**

### **Directors' Report for the Year Ended 31 December 2021**

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

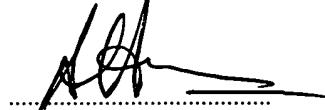
#### **Matters included in the strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report, information required by Large and Medium-sized Companies (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the use of financial instruments for managing the company's exposure to risks.

#### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of RSM UK Audit LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

Approved and authorised by the Board on 29 March 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A S Harrison', written over a dotted line.

A S Harrison  
Company secretary

## **Rollalong Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Rollalong Limited**

### **Independent Auditor's Report to the Members of Rollalong Limited**

#### **Opinion**

We have audited the financial statements of Rollalong Limited (the 'company') for the year ended 31 December 2021, which comprise The Profit and Loss Account, The Statement of Comprehensive Income, The Balance Sheet, The Statement of Changes In Equity 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 2021 and of its loss 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Rollalong Limited**

### **Independent Auditor's Report to the Members of Rollalong Limited**

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

#### **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 any material misstatements in the Strategic Report or the Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are 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 directors are 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 directors 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.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

## **Rollalong Limited**

### **Independent Auditor's Report to the Members of Rollalong Limited**

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, tax compliance regulations and pension law. We have performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, evaluating advice received from internal tax advisors and confirmed that the company continues to make pension contributions in line with the agreed contribution schedule.

There were no significant laws and regulations that have an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls and revenue cut-off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course and reviewing and challenging management stage of completion calculations on a sample of contracts at the balance sheet date.

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.

## **Rollalong Limited**

### **Independent Auditor's Report to the Members of Rollalong Limited**

#### **Use of our 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.

*RSM UK Audit Ltd*

.....  
Christopher Hurren BA FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants  
Third floor  
One London Square  
Cross Lanes  
Guildford  
GU1 1UN

Date: *12/04/22*

## Rollalong Limited

### Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Turnover	3	12,082	10,395
Cost of sales		<u>(11,102)</u>	<u>(8,702)</u>
Gross profit		980	1,693
Administrative expenses		(1,466)	(1,620)
Other operating income	4	<u>66</u>	<u>59</u>
Operating (loss)/profit	5	(420)	132
Interest payable and similar charges	6	<u>(9)</u>	<u>(8)</u>
(Loss)/profit on ordinary activities before tax		(429)	124
Taxation	9	<u>104</u>	<u>52</u>
(Loss)/profit for the financial year		<u><u>(325)</u></u>	<u><u>176</u></u>

The company has no recognised gains or losses for the year other than the results above.

## **Rollalong Limited**

### **Statement of Comprehensive Income for the Year Ended 31 December 2021**

	<b>Note</b>	<b>2021 £ 000</b>	<b>2020 £ 000</b>
(Loss)/profit for the year		<u>(325)</u>	<u>176</u>
Total comprehensive income for the year		<u><u>(325)</u></u>	<u><u>176</u></u>


The notes on pages 15 to 32 form an integral part of these financial statements.

# Rollalong Limited

## (Registration number: 3683003) Balance Sheet as at 31 December 2021

	Note	2021 £ 000	2020 £ 000
<b>Fixed assets</b>			
Tangible assets	10	941	1,345
Investment property	11	1,044	-
		<u>1,985</u>	<u>1,345</u>
<b>Current assets</b>			
Stocks	13	1,557	1,332
Debtors	14	12,795	16,472
Cash at bank and in hand	15	1,282	86
		<u>15,634</u>	<u>17,890</u>
<b>Creditors: Amounts falling due within one year</b>	16	<u>(4,979)</u>	<u>(4,751)</u>
<b>Net current assets</b>		<u>10,655</u>	<u>13,139</u>
<b>Total assets less current liabilities</b>		12,640	14,484
<b>Provisions for liabilities</b>	17	<u>(53)</u>	<u>(72)</u>
<b>Net assets</b>		<u>12,587</u>	<u>14,412</u>
<b>Capital and reserves</b>			
Called up share capital	19	4,525	4,525
Profit and loss account	20	<u>8,062</u>	<u>9,887</u>
<b>Total equity</b>		<u>12,587</u>	<u>14,412</u>

Approved and authorised by the Board on 29 March 2022 and signed on its behalf by:

  
 R.J Newman  
 Director

## Rollalong Limited

### Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2020	4,525	9,711	14,236
Profit for the year	-	176	176
Total comprehensive income	-	176	176
At 31 December 2020	4,525	9,887	14,412
	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2021	4,525	9,887	14,412
Loss for the year	-	(325)	(325)
Total comprehensive income	-	(325)	(325)
Dividends	-	(1,500)	(1,500)
At 31 December 2021	4,525	8,062	12,587

The notes on pages 15 to 32 form an integral part of these financial statements.



## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

The company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office and principal place of business is:

Woolsbridge Industrial Estate

Three Legged Cross

Wimborne

Dorset

BH21 6SF

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies (accounts and Reports) Regulations 2008, and under the historical cost convention.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

These financial statements have been presented in sterling which is also the functional currency of the company.

##### **Summary of disclosure exemptions**

The company has taken advantage of the exemption from the following information, as permitted by the reduced disclosure regime within FRS 102:

Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.

Section 33 'Related Party Disclosures' - Compensation for key management personnel..

##### **Name of parent of the group**

These financial statements are consolidated in the financial statements of Newship Group Limited.

The financial statements of Newship Group Limited may be obtained from Fernside Place, 179 Queens Road, Weybridge, Surrey, KT13 0AH.

## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Group accounts not prepared**

The company has taken exemption from preparing group accounts as it is included in the consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House.

These accounts present information in regard to the individual undertaking only and do not include information on its subsidiary.

#### **Going concern**

Management monitor the COVID-19 situation regularly and will continue to take the measures necessary to safeguard the business and its stakeholders. At the time of approving the financial statements, based on trading results throughout the pandemic and future cash flow forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from time of approval. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### **Critical areas of judgement**

###### **Long term contracts**

The company undertakes long term contracts which extend over reporting dates. The company makes estimates and assumptions as to the stage of completion of each contract. The contract is separated into clearly identifiable elements, usually on a building by building basis. Each individual element is measured and estimates of the stage of completion are calculated based on known costs and time to complete the project.

## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Key sources of estimation uncertainty**

##### **Pension scheme**

Significant impacts arise within the financial statements as a result of the changes in the assumptions in respect of the valuation of the pension scheme. In order to obtain a fair valuation, the directors take advice from external actuaries as to the assumptions to be used taking account of market data and conditions at the year end. The approximate sensitivity of the liabilities to some of the key assumptions are:

##### **Discount rate**

The effect of reducing the discount rate by 0.25% per annum would be to increase the liabilities by around £344,000.

##### **Price inflation**

The effect of increasing the price inflation assumption by 0.25% per annum would be to increase the liabilities by around £321,000.

##### **Mortality**

The effect of increasing the assumed life expectancy by 1 year would be to increase the liabilities by around £453,000.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

#### **Contract revenue recognition**

##### **Long term contracts**

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long-term contracts are included in stock or gross amounts due from contracts to the extent that they cannot be matched with contract work accounted for as turnover. Long-term contract balances included in stocks are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

#### **Rental income**

Rental income from operating leases is recognised on a straight line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight line basis.

#### **Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Research and development**

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred. Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected sales arising from the projects. All other development costs are written off in the year of expenditure.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the Balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold Improvements	Straight line over 10 years
Plant and equipment	Straight line over 3 - 10 years

## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Investment property**

##### **Initial recognition**

Included at cost of purchased investment property and directly attributable expenditure.

##### **Subsequent measurement**

Where fair value can be measured reliably without undue cost or effort the property shall be measured at fair value.

Changes in fair value are recognised in profit or loss.

#### **Investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Financial instruments**

##### **Financial assets**

##### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Financial liabilities and equities**

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

##### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Defined benefit pension obligation

##### Defined benefits plan

The company has a defined benefit pension scheme which is closed to future accrual.

Net interest on the net defined benefit liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The net interest is recognised in the profit and loss account.

Gains and losses arising from changes in actuarial assumptions and the difference between the interest income on the plan assets and the return on the plan assets are recognised in other comprehensive income. The defined pension scheme is funded, with assets held separately from the company in separate trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected credit unit method and discounted at the current rate of return on high quality corporate bonds of equivalent term and currency. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability and as an asset recognised where the company has a right to recover monies from the scheme.

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Rendering of services	11,826	10,139
Rental income	256	256
	<u>12,082</u>	<u>10,395</u>

The analysis of the company's turnover for the year by market is as follows:

	2021 £ 000	2020 £ 000
UK	<u>12,082</u>	<u>10,395</u>

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2021 £ 000	2020 £ 000
Sub lease rental income	64	59
Miscellaneous other operating income	2	-
	<u>66</u>	<u>59</u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 5 Operating (loss)/profit

Arrived at after charging/(crediting)

	2021 £ 000	2020 £ 000
Depreciation expense	404	480
Research and development cost	110	93
Foreign exchange losses	-	1
Operating lease expense - property	150	370
Operating lease expense - plant and machinery	74	47
Audit of the financial statements	25	26
CJRS Grant income	-	(583)
	<u>          </u>	<u>          </u>

#### 6 Interest payable and similar expenses

	2021 £ 000	2020 £ 000
Interest on bank overdrafts	<u>9</u>	<u>8</u>

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £ 000	2020 £ 000
Wages and salaries	2,751	3,027
Social security costs	355	339
Pension costs, defined contribution scheme	<u>185</u>	<u>142</u>
	<u>3,291</u>	<u>3,508</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Production	63	71
Administration and support	<u>16</u>	<u>16</u>
	<u>79</u>	<u>87</u>



## **Rollalong Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **8 Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>2021</b> <b>£ 000</b>	<b>2020</b> <b>£ 000</b>
Remuneration	206	236
Contributions paid to money purchase schemes	11	105
	<u>217</u>	<u>341</u>

During the year the number of directors who were receiving benefits was as follows:

	<b>2021</b> <b>No.</b>	<b>2020</b> <b>No.</b>
Accruing benefits under money purchase pension scheme	2	2

In respect of the highest paid director:

	<b>2021</b> <b>£ 000</b>	<b>2020</b> <b>£ 000</b>
Remuneration	107	123
Company contributions to money purchase pension schemes	6	59

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 9 Taxation

Tax charged/(credited) in the income statement

	2021 £ 000	2020 £ 000
<b>Current taxation</b>		
UK corporation tax	(34)	70
UK corporation tax adjustment to prior periods	<u>(51)</u>	<u>(88)</u>
	(85)	(18)
<b>Deferred taxation</b>		
Arising from changes in tax rates and laws	<u>(19)</u>	<u>(34)</u>
Tax receipt in the income statement	<u>(104)</u>	<u>(52)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £ 000	2020 £ 000
(Loss)/profit before tax	<u>(429)</u>	<u>124</u>
Corporation tax at standard rate	(82)	24
Deferred tax credit relating to changes in tax rates or laws	(19)	(34)
Tax increase from effect of capital allowances and depreciation	46	46
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(49)</u>	<u>(88)</u>
Total tax credit	<u>(104)</u>	<u>(52)</u>

Under Finance Act 2021, which was substantively enacted on 24 May 2021, it was announced that the main rate of corporation tax would increase to 25% from 1 April 2023.

#### Deferred tax

Deferred tax assets and liabilities

2021	Liability £ 000
Difference between depreciation and capital allowances balance carried forward	72
Movement in deferred tax liability	<u>(19)</u>
	<u>53</u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

2020	Liability £ 000
Difference between depreciation and capital allowances balance carried forward	106
Movement in deferred tax liability	(34)
	<u>72</u>

#### 10 Tangible assets

	Leasehold improvements £ 000	Plant and machinery £ 000	Total £ 000
<b>Cost</b>			
At 1 January 2021	<u>2,738</u>	<u>2,713</u>	<u>5,451</u>
At 31 December 2021	<u>2,738</u>	<u>2,713</u>	<u>5,451</u>
<b>Depreciation</b>			
At 1 January 2021	1,527	2,579	4,106
Charge for the year	<u>391</u>	<u>13</u>	<u>404</u>
At 31 December 2021	<u>1,918</u>	<u>2,592</u>	<u>4,510</u>
<b>Carrying amount</b>			
At 31 December 2021	<u>820</u>	<u>121</u>	<u>941</u>
At 31 December 2020	<u>1,211</u>	<u>134</u>	<u>1,345</u>

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings.

#### 11 Investment properties

	2021 £ 000
At 1 January	-
Additions	<u>1,044</u>
At 31 December	<u>1,044</u>

There has been no valuation of investment property by an independent valuer.

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 12 Investments in subsidiaries, joint ventures and associates

##### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Rollalong Properties Limited	England and Wales	Ordinary	100%	100%

The investment in Rollalong Properties Limited is held at a cost of £1.

##### Subsidiary undertakings

###### *Rollalong Properties Limited*

The principal activity of Rollalong Properties Limited is a dormant company.

Registered and operating addresses along with telephone numbers are shown on the Newship Limited website: [www.newship.co.uk](http://www.newship.co.uk).

#### 13 Stocks

	2021 £ 000	2020 £ 000
Raw materials and consumables	294	303
Work in progress	611	223
Finished goods and goods for resale	652	806
	<u>1,557</u>	<u>1,332</u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 14 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	167	541
Amounts owed by group undertakings	11,074	13,938
Amount due from customers for contract work	919	1,451
Corporation tax	34	-
Other debtors	-	47
Prepayments	601	495
Total current trade and other debtors	<u>12,795</u>	<u>16,472</u>

#### 15 Cash and cash equivalents

	2021 £ 000	2020 £ 000
Cash at bank	<u>1,282</u>	<u>86</u>

#### 16 Creditors

	Note	2021 £ 000	2020 £ 000
<b>Due within one year</b>			
Trade creditors		1,593	1,776
Corporation tax		-	40
Social security and other taxes		439	148
Accrued expenses		<u>2,947</u>	<u>2,787</u>
		<u>4,979</u>	<u>4,751</u>

#### 17 Provisions for liabilities

	Deferred tax £ 000	Total £ 000
At 1 January 2021	72	72
Increase / (decrease) in existing provisions	<u>(19)</u>	<u>(19)</u>
At 31 December 2021	<u>53</u>	<u>53</u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £185,000 (2020 - £142,000).

##### Defined benefit pension schemes

##### Rollalong pension scheme

The company operates a defined benefit pension scheme in the UK. The scheme was closed to future accrual in 2013. A full actuarial valuation was carried out at 5 April 2019 and updated to 31 December 2021 by a qualified independent actuary.

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	2021 £ 000	2020 £ 000
Fair value of scheme assets	12,874	12,163
Present value of defined benefit obligation	<u>(9,324)</u>	<u>(9,923)</u>
	3,550	2,240
Other amounts not recognised in the statement of financial position	<u>(3,550)</u>	<u>(2,240)</u>
Defined benefit pension scheme surplus/(deficit) recognised	<u><u>-</u></u>	<u><u>-</u></u>

##### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	2021 £ 000
Present value at start of year	9,923
Interest cost	130
Actuarial gains and losses	(205)
Benefits paid	<u>(524)</u>
Present value at end of year	<u><u>9,324</u></u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

	<b>2021</b>
	<b>£ 000</b>
Fair value at start of year	12,163
Interest income	130
Return on plan assets, excluding amounts included in interest income/(expense)	1,105
Benefits paid	<u>(524)</u>
Fair value at end of year	<u><u>12,874</u></u>

#### *Analysis of assets*

The major categories of scheme assets are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£ 000</b>	<b>£ 000</b>
Cash and cash equivalents	16	-
Equity instruments	7,841	6,624
Debt instruments	<u>5,017</u>	<u>5,539</u>
	<u><u>12,874</u></u>	<u><u>12,163</u></u>

#### *Return on scheme assets*

	<b>2021</b>	<b>2020</b>
	<b>£ 000</b>	<b>£ 000</b>
Return on scheme assets	<u>1,235</u>	<u>481</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the statement of financial position date are as follows:

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Discount rate	1.95	1.35
Future salary increases	3.30	2.90
Future pension increases	3.30	2.90
Inflation	<u>3.30</u>	<u>2.90</u>

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### *Post retirement mortality assumptions*

	2021 Years	2020 Years
Current UK pensioners at retirement age - male	21	21
Future UK pensioners at retirement age - male	<u>21</u>	<u>21</u>

#### **19 Share capital**

##### **Allotted, called up and fully paid shares**

	2021		2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>4,525</u>	<u>4,525</u>	<u>4,525</u>	<u>4,525</u>

#### **Rights, preferences and restrictions**

Ordinary shares have the following rights, preferences and restrictions:

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

#### **20 Reserves**

Profit and loss account

This is cumulative profit and loss net of distributions to owners.



## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 21 Obligations under leases and hire purchase contracts

##### Operating leases - lessee

The total of future minimum lease payments is as follows:

	2021 £ 000	2020 £ 000
Not later than one year	724	774
Later than one year and not later than five years	-	724
	<u>724</u>	<u>1,498</u>

##### Operating leases - lessor

The total of future minimum lease payments is as follows:

	2021 £ 000	2020 £ 000
Not later than one year	425	469
Later than one year and not later than five years	209	634
	<u>634</u>	<u>1,103</u>

Total contingent rents recognised as income in the period are £59,000 (2020 - £59,000).

The operating leases represent leases of two properties to third parties. The contract expires in May 2023.

#### 22 Dividends

	2021 £ 000	2020 £ 000
Final dividend of £0.3315 (2020 - £Nil) per ordinary share	<u>1,500</u>	<u>-</u>

#### 23 Commitments

##### Capital commitments

The company had no capital commitments outstanding at the the year end.

#### 24 Contingent liabilities

The company is part of an unlimited composite company bank guarantee agreement to secure and cross-guarantee the liabilities of each of the other companies. The co signatories are Rollalong Holdings Limited and Rollalong Properties Limited.

The company is part of a VAT group with Rollalong Holdings Limited. At the year end, the company's potential exposure under this agreement is equal to the VAT creditor in Rollalong Holdings Limited.

## Rollalong Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 25 Related party transactions

##### Summary of transactions with other related parties

Related parties under common control and directorship.

##### Expenditure with and payables to related parties

	Other related parties £ 000
<b>2021</b>	
Purchase of goods	33
Leases	371
	<hr/> 404
Amounts payable to related party	<hr/> 8
	Other related parties £ 000
<b>2020</b>	
Purchase of goods	36
Leases	277
	<hr/> 313
Amounts payable to related party	<hr/> 7

#### 26 Parent and ultimate parent undertaking

The company's immediate parent is Rollalong Holdings Limited, incorporated in England and Wales.

The ultimate parent is Newship Group Limited, incorporated in England and Wales.

The smallest group for which consolidated accounts including Rollalong Limited are prepared is Newship Limited and the largest group is Newship Group Limited. These financial statements are available upon request from Fernside Place, 179 Queens Road, Weybridge, Surrey, KT13 0AH

The ultimate controlling party is J W Newman.