

**WATES INTERIORS LIMITED**  
**Directors' report and financial statements**  
**for the year ended**  
**31 December 2018**

THURSDAY



\*S827LYVF\*

SPE

28/03/2019

#178

COMPANIES HOUSE

## **WATES INTERIORS LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the financial statements for the year ended 31 December 2018.

#### **Principal activity**

Wates Interiors is an interiors fit-out contractor offering specialist fitting out and refurbishment services to clients within public and private sectors and finding innovative ways to deliver high quality projects, on time and on budget.

#### **Directors**

The directors during the year were:

D.O. Allen

H.P. Bunch

S.J. Togwell (resigned 25 July 2018)

A.E.P. Wates


P.M. Wainwright (appointed 3 December 2018)

#### **Director's indemnity**

A director benefited from a qualifying pension scheme indemnity provision during the financial year and benefits from this at the date of this report.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Directors on 13 March 2019 and signed on its behalf by:



P. M. Wainwright  
Director

Registered office:  
Wates House  
Station Approach  
Leatherhead  
Surrey KT22 7SW

## **WATES INTERIORS LIMITED**

### **Statement of Directors' Responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Accounts and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in UK and Republic of Ireland' 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 then apply them consistently;
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

The directors are responsible for the maintenance and integrity of the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**WATES INTERIORS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**

**31 DECEMBER 2018**

	Notes	2018 £	2017 £
Turnover		-	-
Cost of sales		-	5,395
GROSS PROFIT		-	5,395
Administrative expenses		(6)	(48)
OPERATING (LOSS) / PROFIT	2	(6)	5,347
Interest receivable	3	317	4,575
PROFIT BEFORE TAXATION		311	9,922
Taxation on profit	4	(3,000)	(968)
PROFIT FOR THE FINANCIAL YEAR		(2,689)	8,954

The above results have been derived from continuing operations.

A statement of comprehensive income has not been presented as the only comprehensive income of the company for the above two financial years is the profit for those financial years.

**WATES INTERIORS LIMITED**

**Company number: 04002476**

**BALANCE SHEET AT 31 DECEMBER 2018**

	Notes	2018 £	2017 £
<b>CURRENT ASSETS</b>			
Debtors	5	1	3,261
Cash at bank and in hand		-	135,780
		<u>1</u>	<u>139,041</u>
<b>CREDITORS: amounts falling due within one year</b>			
	6	-	(1,037)
<b>NET CURRENT ASSETS</b>		<u>1</u>	<u>138,004</u>
<b>NET ASSETS</b>		<u>1</u>	<u>138,004</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	1	1
Profit and loss account	7	-	138,003
<b>SHAREHOLDERS' FUNDS</b>		<u>1</u>	<u>138,004</u>

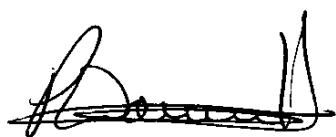
The notes on pages 6 to 9 form part of these accounts.

For the year ending 31 December 2018 the company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors on 13 March 2019 and signed on its behalf by:



P. M. Wainwright  
Director

**WATES INTERIORS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

**31 DECEMBER 2018**

	Called up share capital £	Profit and loss account £	Total equity £
At 31 December 2016	1	647,049	647,050
Profit for the financial year	-	8,954	8,954
Total comprehensive income	-	8,954	8,954
Dividends paid on equity shares	-	(518,000)	(518,000)
At 31 December 2017	1	138,003	138,004
Profit for the financial year	-	(2,689)	(2,689)
Total comprehensive expense	-	(2,689)	(2,689)
Dividends paid on equity shares	-	(135,314)	(135,314)
At 31 December 2018	1	-	1

## **WATES INTERIORS LIMITED**

**31 DECEMBER 2018**

### **NOTES TO THE ACCOUNTS**

#### **1. Accounting policies**

The principal accounting policies, which have all been applied consistently throughout the year and the preceding year, are set out below.

##### **i) General information and basis of accounting**

Wates Interiors Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on page 1.

These accounts have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Under FRS 102 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

##### **ii) Going concern**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the company's accounts.

##### **iii) Turnover**

Turnover represents the value of work done on contracting activities, which is recognised on a percentage of completion basis with reference to costs incurred to date as a proportion of total costs, and excludes VAT.

##### **iv) Construction contracts**

The principal estimation technique used by the company in attributing profit on contracts to a particular accounting period is the preparation of forecasts on a contract-by-contract basis. These focus on costs to completion and enable an assessment to be made of the final outturn on each contract. Consistent contract review procedures are in place in respect of contract forecasting.

Profit on contracts is only recognised when the company is satisfied that the risks on a contract have been mitigated to a suitable level so that the forecast profit can be measured reliably. As a number of risks are not mitigated until a contract has been successfully delivered and final accounts are agreed, profit is not recognised on contracts until the contract is nearing completion. Provision is made for all losses incurred to the accounting date together with any further losses that are foreseen in bringing contracts to completion.

Variations and claims are recognised once there is sufficient certainty over the probability that they will be received and the amount to be received can be measured reliably.

## WATES INTERIORS LIMITED

31 DECEMBER 2018

### NOTES TO THE ACCOUNTS (CONTINUED)

#### iv) Construction contracts (continued)

Amounts recoverable on contracts which are included in debtors are stated at cost, plus attributable profit, to the extent that this is reasonably certain after making provision for contingencies, less any losses incurred or foreseen in bringing contracts to completion, and less amounts received as progress payments. *Costs for this purpose include valuation of all work done by subcontractors, whether certified or not, and all overheads other than those relating to the general administration of the relevant companies.* For any contracts where receipts exceed the book value of work done, the excess is included in creditors as payments on account.

#### v) Taxation

Current tax is provided at the amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### vi) Retirement benefits

The Wates Group Limited group operates defined contribution schemes. The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

#### 2. Staff numbers and costs

There are no employees other than the directors, who do not receive remuneration from the company.

#### 3. Interest receivable

	2018 £	2017 £
Interest receivable - group undertakings	317	4,575



**WATES INTERIORS LIMITED**

**31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**4. Taxation**

a) <u>Analysis of the charge in the year</u>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
UK corporation tax on the profit for the year at 19.00% (2017: 19.25%)	-	-
Adjustments in respect of prior years	-	(32)
	<hr/>	<hr/>
Total current tax charge/(credit)	-	(32)
	<hr/>	<hr/>
Deferred tax		
Origination and reversal of timing differences	3,000	1,000
Total deferred tax charge	<hr/> 3,000	<hr/> 1,000
	<hr/>	<hr/>
Total tax charge on profit	<hr/> 3,000	<hr/> 968

b) Factors affecting the tax charge for the year

The total charge for taxation is higher (2017: lower) than the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%). The differences are explained below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<hr/> 311	<hr/> 9,922
Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2017: 19.25%).	59	1,910
Effects of:		
Depreciation in excess of capital allowances	(418)	-
Permanent disallowable costs	-	240
Group relief	3,359	(1,150)
Adjustments in respect of prior years	-	(32)
Total tax charge for the year	<hr/> 3,000	<hr/> 968

**5. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	1	261
Deferred taxation	<hr/> -	<hr/> 3,000
	<hr/>	<hr/>
	<hr/> 1	<hr/> 3,261

**WATES INTERIORS LIMITED**

**31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**6. Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other taxes and social security	<u>-</u>	<u>1,037</u>
	<u>-</u>	<u>1,037</u>

**7. Called up share capital and reserves**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Issued and fully paid 1 (2018: 1) Ordinary shares of £1 each	<u>1</u>	<u>1</u>

The company has one class of ordinary shares which carry no right to fixed income.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid.

**8. Contingent liabilities**

The company has entered into indemnities with other group undertakings. These indemnities are to third parties in respect of performance bonds granted on behalf of other group companies.

**9. Ultimate parent company**

The company's immediate parent company and ultimate parent company are Wates Construction Limited and Wates Group Limited (controlling party) respectively, both of which are incorporated in the United Kingdom and registered in England and Wales. No other group financial statements include the results of the company. Wates Construction Limited has guaranteed all of the outstanding liabilities to which the company is subject at 31 December 2018.

The consolidated financial statements for Wates Construction Limited and Wates Group Limited are available to the public and may be obtained from Wates House, Station Approach, Leatherhead, Surrey, KT22 7SW.