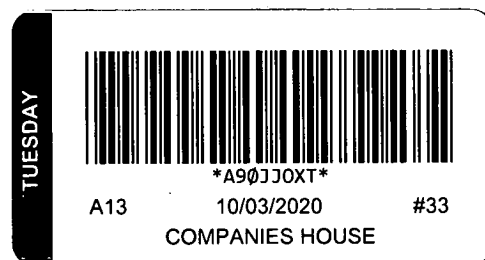


COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

COMPANY INFORMATION

DIRECTORS

G D Lloyd
M A Rees
K W Felton (appointed 17 April 2019)

COMPANY SECRETARY

M A Rees

REGISTERED NUMBER

06633850

REGISTERED OFFICE

52a St Andrews Road
Malvern
Worcestershire
WR14 3PP

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

BANKERS

Lloyds Bank Plc
130 High Street
Cheltenham
Gloucestershire
GL50 1EW

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

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COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2019

INTRODUCTION

The directors present the strategic report for the year ended 30 June 2019.

BUSINESS REVIEW

During the year the company's subsidiaries operated as builders merchants from sites in Malvern, Malvern Link, Evesham and Droitwich in Worcestershire, Cheltenham in Gloucestershire, Nuneaton and Coventry in Warwickshire and Monmouth, South Wales.

During the year the group opened two new branches in Hereford and Tewkesbury. Hereford offers the full range of products and Tewkesbury specialises in plumbing and heating. There is inevitable cost in setting up new branches but the group have managed the cash flow impact without recourse to further lending.

It is the groups policy to seek new locations that meet its investment criteria and a number of possible locations are examined each year.

The group has secured its Malvern location by the purchase of the freehold by its pension scheme. This will allow further investment in the site over the next few years.

The management team has been strengthened and systems and procedures have been refined to support the larger group and further expansion can be implemented quickly and efficiently.

PRINCIPAL RISKS AND UNCERTAINTIES

The performance of the group is subject to a number of risks. The key risks and uncertainties are considered to relate to the level of economic activity in the economy in general and specifically the level of activity in the building industry.

The external environment is expected to remain competitive into 2020, however the directors remain confident that they will continue to improve the future performance of the group.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors consider the following to be key performance indicators for the year.

	2019	2018
Turnover £'000	26,830	24,278
Gross profit percentage	29.7%	31.7%
Stock turnover period	50 Days	49 Days
Sales credit period	51 Days	60 Days
Purchase credit period	75 Days	56 Days

The above key performance indicators are maintained regularly by the directors and management team and action is taken to rectify any potential risks as soon as they are identified.

Overall the director's are satisfied with the strategic performance of the group during the year to 30 June 2019 and its position within the market at the end of the year.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019**

This report was approved by the board on *5 February 2020* and signed on its behalf.


M A Rees
Director

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report and the financial statements for the year ended 30 June 2019.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £332,307 (2018: £821,657).

Ordinary dividends were paid amounting to £305,732 (2018: £381,753). The directors do not recommend payment of a further dividend.

DIRECTORS

The directors who served during the year were:

G D Lloyd
M A Rees
K W Felton (appointed 17 April 2019)

FUTURE DEVELOPMENTS

The Group is expected to continue to grow revenue and maintain profitability.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019**

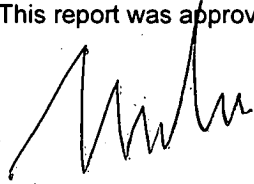
POST BALANCE SHEET EVENTS

There have been no significant events affecting the Group since the year end.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M A Rees
Director

Date: 5 February 2020

52a St Andrews Road
Malvern
Worcestershire
WR14 3PP

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

OPINION

We have audited the financial statements of County Building Supplies (Holdings) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2019, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent Company's affairs as at 30 June 2019 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED (CONTINUED)

We have nothing to report in this regard.

OPINION ON OTHER MATTERS 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 on page 3, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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.

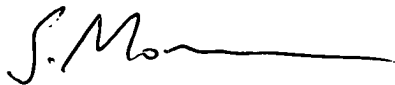
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED (CONTINUED)

USE OF OUR REPORT

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.



Simon Morrison FCA (Senior statutory auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square

Bristol

BS1 4NT

Date: 3/3/2020

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 £	2018 £
Turnover	4	26,830,372	24,278,195
Cost of sales		(18,858,169)	(16,589,458)
GROSS PROFIT		7,972,203	7,688,737
Distribution costs		(769,338)	(696,488)
Administrative expenses		(6,608,728)	(5,769,432)
OPERATING PROFIT	5	594,137	1,222,817
Interest receivable and similar income	9	508	239
Interest payable and expenses	10	(69,846)	(59,037)
PROFIT BEFORE TAXATION		524,799	1,164,019
Tax on profit	11	(119,823)	(214,137)
PROFIT FOR THE FINANCIAL YEAR		404,976	949,882
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		404,976	949,882
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Non-controlling interests		72,669	128,225
Owners of the parent Company		332,307	821,657
		404,976	949,882

The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED
REGISTERED NUMBER:06633850

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Intangible assets	14	4,912	16,696
Tangible assets	15	1,681,527	1,712,383
Investments	16	520	520
		<u>1,686,959</u>	<u>1,729,599</u>
CURRENT ASSETS			
Stocks	17	2,591,612	2,247,147
Debtors: amounts falling due within one year	18	4,852,346	4,970,159
Cash at bank and in hand	19	1,003,376	437,768
		<u>8,447,334</u>	<u>7,655,074</u>
Creditors: amounts falling due within one year	20	(6,200,737)	(5,388,137)
NET CURRENT ASSETS		<u>2,246,597</u>	<u>2,266,937</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,933,556</u>	<u>3,996,536</u>
Creditors: amounts falling due after more than one year	21	(454,258)	(616,991)
PROVISIONS FOR LIABILITIES			
Deferred taxation	24	(74,286)	(73,777)
		<u>(74,286)</u>	<u>(73,777)</u>
NET ASSETS EXCLUDING PENSION ASSET		<u>3,405,012</u>	<u>3,305,768</u>
NET ASSETS		<u>3,405,012</u>	<u>3,305,768</u>
CAPITAL AND RESERVES			
Called up share capital	25	200	200
Share premium account	26	1,134,636	1,134,636
Profit and loss account	26	1,543,673	1,471,766
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		<u>2,678,509</u>	<u>2,606,602</u>
Non-controlling interests		726,503	699,166
		<u>3,405,012</u>	<u>3,305,768</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M A Rees
Director

Date: 5 February 2020

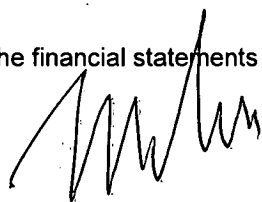
The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED
REGISTERED NUMBER:06633850

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Investments	16	1,141,572	1,141,572
		<u>1,141,572</u>	<u>1,141,572</u>
CURRENT ASSETS			
Cash at bank and in hand	19	255,356	107,537
		<u>255,356</u>	<u>107,537</u>
Creditors: amounts falling due within one year	20	(247,427)	(67,427)
		<u>7,929</u>	<u>40,110</u>
NET CURRENT ASSETS			
		<u>1,149,501</u>	<u>1,181,682</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>1,149,501</u>	<u>1,181,682</u>
NET ASSETS			
		<u>1,149,501</u>	<u>1,181,682</u>
CAPITAL AND RESERVES			
Called up share capital	25	200	200
Share premium account	26	1,134,636	1,134,636
Profit and loss account	26	14,665	46,846
		<u>1,149,501</u>	<u>1,181,682</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M A Rees
Director

Date: 5 February 2020

The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS)
LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 July 2017	200	1,134,636	990,509	2,125,345	612,294	2,737,639
COMPREHENSIVE INCOME FOR THE YEAR						
Profit for the year	-	-	821,657	821,657	128,225	949,882
Dividends: NCI	-	-	-	-	(41,353)	(41,353)
Dividends: Equity capital	-	-	(340,400)	(340,400)	-	(340,400)
At 1 July 2018	200	1,134,636	1,471,766	2,606,602	699,166	3,305,768
COMPREHENSIVE INCOME FOR THE YEAR						
Profit for the year	-	-	332,307	332,307	72,669	404,976
Dividends: NCI	-	-	-	-	(45,332)	(45,332)
Dividends: Equity capital	-	-	(260,400)	(260,400)	-	(260,400)
AT 30 JUNE 2019	200	1,134,636	1,543,673	2,678,509	726,503	3,405,012

The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2017	200	1,134,636	222,439	1,357,275
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	164,807	164,807
Dividends: Equity capital	-	-	(340,400)	(340,400)
At 1 July 2018	200	1,134,636	46,846	1,181,682
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	228,219	228,219
Dividends: Equity capital	-	-	(260,400)	(260,400)
AT 30 JUNE 2019	200	1,134,636	14,665	1,149,501

The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit in the year	404,976	949,882
ADJUSTMENTS FOR:		
Amortisation of intangible assets	11,784	11,784
Depreciation of tangible assets	458,597	400,968
Loss on disposal of tangible assets	2,244	653
Interest paid	69,846	59,037
Interest received	(508)	(239)
Taxation charge	119,823	214,137
(Increase) in stocks	(344,465)	(341,932)
Decrease/(increase) in debtors	42,294	(627,872)
Increase in creditors	1,068,397	390,281
Corporation tax (paid)	(251,598)	(211,815)
NET CASH GENERATED FROM OPERATING ACTIVITIES	1,581,390	844,884
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(480,223)	(593,279)
Sale of tangible fixed assets	50,238	23,341
Interest received	508	239
HP interest paid	(40,179)	(35,291)
NET CASH FROM INVESTING ACTIVITIES	(469,656)	(604,990)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of/new finance leases	(75,187)	98,522
Dividends paid	(260,400)	(340,400)
Interest paid	(29,667)	(23,746)
Dividends paid to non controlling interests	(45,332)	(41,353)
NET CASH USED IN FINANCING ACTIVITIES	(410,586)	(306,977)

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	701,148	(67,083)
Cash and cash equivalents at beginning of year	302,228	369,311
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	1,003,376	302,228
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	1,003,376	437,768
Bank overdrafts	-	(135,540)
	1,003,376	302,228

The notes on pages 15 to 33 form part of these financial statements.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. GENERAL INFORMATION

County Building Supplies (Holdings) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 52a St. Andrews Road, Malvern, Worcestershire, WR14 3PP.

The principal activity of the group during the year was the sale of building supplies.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained.

2.3 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. ACCOUNTING POLICIES (continued)

2.4 OPERATING LEASES: THE GROUP AS LESSEE

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

2.5 INTEREST INCOME

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.6 FINANCE COSTS

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 BORROWING COSTS

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.8 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. ACCOUNTING POLICIES (continued)

2.9 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

OTHER INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. ACCOUNTING POLICIES (continued)

2.11 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on both the straight line and reducing balance basis.

Depreciation is provided on the following basis:

Land and buildings Freehold	- 1% Straight line
Land and buildings Leasehold	- Over period of lease
Plant and machinery	- 20% Reducing balance
Motor vehicles	- 25% Straight line
Fixtures and fittings	- 15% to 25% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

2.12 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.13 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

2.14 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. ACCOUNTING POLICIES (continued)

2.15 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.16 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. ACCOUNTING POLICIES (continued)

2.18 FINANCIAL INSTRUMENTS (CONTINUED)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.19 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Income taxes

The Company is subject to the income tax laws of the United Kingdom. These laws are complex and subject to different interpretations by taxpayers and tax authorities. When establishing income tax provisions, the directors make a number of judgements and interpretations about the application and interaction of these laws. Changes in these tax laws or in their interpretation could affect the Company's effective tax rate and the results of operations in a given period. Accordingly, potentially significant tax benefits will not be recognised until there is sufficient certainty that they will be accepted by HMRC.

Stock Provision

There is a risk that the Group will incur costs in relation to obsolete or damaged stock. Management consider the age of the stock and the levels of write offs and use this along with other current information to estimate the cost of this and make a provision accordingly.

Rebates

There is a risk that the Group will not recognise the rebates received in the correct period. Management consider the supplier activity and use this along with other current information to recognise rebates in the correct accounting period.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Sale of goods	26,830,372	24,278,195
	<u>26,830,372</u>	<u>24,278,195</u>

All turnover arose within the United Kingdom.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of owned tangible fixed assets	108,502	97,553
Depreciation of tangible fixed assets under finance leases	350,095	303,415
Loss/ (Profit) on disposal of fixed assets	2,244	653
Amortisation of intangible fixed assets	11,784	11,784
Other operating lease rentals	65,610	69,819
	<u>65,610</u>	<u>69,819</u>

6. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	35,200	29,000

FEES PAYABLE TO THE GROUP'S AUDITOR AND ITS ASSOCIATES IN RESPECT OF:

Taxation compliance services	6,475	6,150
Other services relating to taxation	-	1,600
All other assurance services	-	800
	<u>6,475</u>	<u>8,550</u>

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

7. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	Group 2019 £	Group 2018 £
Wages and salaries	3,422,358	2,984,663
Social security costs	349,592	296,053
Cost of defined contribution scheme	229,343	193,588
	<u>4,001,293</u>	<u>3,474,304</u>

The average monthly number of Group employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Directors	7	7
Office and distribution	121	115
	<u>128</u>	<u>122</u>

8. DIRECTORS' REMUNERATION

	2019 £	2018 £
Directors' emoluments	51,729	55,929
Company contributions to defined contribution pension schemes	74,163	58,000
	<u>125,892</u>	<u>113,929</u>

9. INTEREST RECEIVABLE

	2019 £	2018 £
Other interest receivable	508	239
	<u>508</u>	<u>239</u>

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019****10. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2019 £	2018 £
Finance leases and hire purchase contracts	40,179	35,291
Other interest payable	29,667	23,746
	<u>69,846</u>	<u>59,037</u>

11. TAXATION

	2019 £	2018 £
CORPORATION TAX		
Current tax on profits for the year	119,314	240,208
TOTAL CURRENT TAX	<u>119,314</u>	<u>240,208</u>
DEFERRED TAX		
Origination and reversal of timing differences	509	(26,071)
TOTAL DEFERRED TAX	<u>509</u>	<u>(26,071)</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>119,823</u>	<u>214,137</u>

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

11. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2018: the same as) the standard rate of corporation tax in the UK of 19% (2018: 19%) as set out below:

	2019 £	2018 £
Profit on ordinary activities before tax	524,799	1,164,019
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	99,712	221,164
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,519	5,374
Capital allowances for year in excess of depreciation	5,759	3,956
Adjustments to tax charge in respect of prior periods	-	(17,666)
Short term timing difference leading to an increase (decrease) in taxation	3,833	1,309
TOTAL TAX CHARGE FOR THE YEAR	119,823	214,137

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

The future tax rates at which deferred tax is expected to unwind is 18%.

12. DIVIDENDS

	2019 £	2018 £
Dividends paid in the year	260,400	340,400
	260,400	340,400

13. PARENT COMPANY PROFIT FOR THE YEAR

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £228,219 (2018: £164,807).

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

14. INTANGIBLE ASSETS

Group and Company

	Goodwill £	Negative goodwill £	Total £
COST			
At 1 July 2018	165,922	(223,726)	(57,804)
At 30 June 2019	165,922	(223,726)	(57,804)
AMORTISATION			
At 1 July 2018	149,226	(223,726)	(74,500)
Charge for the year	11,784	-	11,784
At 30 June 2019	161,010	(223,726)	(62,716)
NET BOOK VALUE			
At 30 June 2019	4,912	-	4,912
At 30 June 2018	16,696	-	16,696

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

15. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION						
At 1 July 2018	471,578	364,016	104,584	1,689,769	447,755	3,077,702
Additions	-	85,952	24,395	271,237	98,639	480,223
Disposals	-	-	-	(78,550)	-	(78,550)
At 30 June 2019	471,578	449,968	128,979	1,882,456	546,394	3,479,375
DEPRECIATION						
At 1 July 2018	18,864	184,308	51,237	848,865	262,045	1,365,319
Charge for the year	4,716	23,817	15,548	363,796	50,720	458,597
Disposals	-	-	-	(26,068)	-	(26,068)
At 30 June 2019	23,580	208,125	66,785	1,186,593	312,765	1,797,848
NET BOOK VALUE						
At 30 June 2019	447,998	241,843	62,194	695,863	233,629	1,681,527
At 30 June 2018	452,714	179,708	53,347	840,904	185,710	1,712,383

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	10,463	13,079
Motor vehicles	693,975	813,302
Furniture, fittings and equipment	10,449	13,061
	714,887	839,442

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

16. FIXED ASSET INVESTMENTS

Group

Unlisted investments £

COST OR VALUATION

At 1 July 2018

520

At 30 June 2019

520

Company

Investments in subsidiary companies £

COST OR VALUATION

At 1 July 2018

1,141,572

At 30 June 2019

1,141,572

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
County Building Supplies Limited	Ordinary	100%
County Building Supplies (Cheltenham) Limited	Ordinary	80%
County Building Supplies (Droitwich) Limited	Ordinary	80%
County Building Supplies (Evesham) Limited	Ordinary	80%
County Building Supplies (Monmouth) Limited	Ordinary	100%
County Building Supplies (Nuneaton) Limited	Ordinary	80%

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019****16. FIXED ASSET INVESTMENTS (CONTINUED)****SUBSIDIARY UNDERTAKINGS (CONTINUED)**

The aggregate of the share capital and reserves as at 30 June 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
County Building Supplies Limited	410,181	48,045
County Building Supplies (Cheltenham) Limited	(119,599)	(334,375)
County Building Supplies (Droitwich) Limited	1,976,640	519,181
County Building Supplies (Evesham) Limited	1,728,465	118,369
County Building Supplies (Monmouth) Limited	(483,494)	2,647
County Building Supplies (Nuneaton) Limited	(92,643)	71,993

17. STOCKS

	Group 2019 £	Group 2018 £
Finished goods and goods for resale	2,591,612	2,247,147
	<u>2,591,612</u>	<u>2,247,147</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £18,923,071 (2018: £16,473,681).

18. DEBTORS

	Group 2019 £	Group 2018 £
Trade debtors	3,714,944	3,959,573
Other debtors	789,369	778,592
Prepayments and accrued income	348,033	231,994
	<u>4,852,346</u>	<u>4,970,159</u>

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

19. CASH AND CASH EQUIVALENTS

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	1,003,376	437,768	255,356	107,537
Less: bank overdrafts	-	(135,540)	-	-
	<u>1,003,376</u>	<u>302,228</u>	<u>255,356</u>	<u>107,537</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Bank overdrafts	-	135,540	-	-
Trade creditors	3,886,888	2,541,705	-	-
Amounts owed to group undertakings	-	-	245,890	65,890
Corporation tax	54,464	262,267	-	-
Other taxation and social security	327,558	300,265	-	-
Obligations under finance lease and hire purchase contracts	304,808	246,468	-	-
Other creditors	1,510,352	1,776,476	1,537	1,537
Accruals and deferred income	116,667	125,416	-	-
	<u>6,200,737</u>	<u>5,388,137</u>	<u>247,427</u>	<u>67,427</u>

Obligations under finance leases are secured by the assets to which they relate.

Other creditors includes £1,479,593 (2018: £1,745,482) in respect of advances under an invoice discounting arrangement which is secured by a fixed and floating charge over all book and other debts of the group.

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2019 £	Group 2018 £
Obligations under finance leases and hire purchase contracts	444,525	578,052
Other creditors	9,733	38,939
	<u>454,258</u>	<u>616,991</u>

Obligations under finance leases are secured by the assets to which they relate.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

22. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	Group 2019 £	Group 2018 £
Within one year	310,144	406,274
Between 1-5 years	444,435	418,246
	<u>754,579</u>	<u>824,520</u>

23. FINANCIAL INSTRUMENTS

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss	1,003,896	438,288	255,356	107,537
Financial assets that are debt instruments measured at amortised cost	4,753,816	4,723,165	-	-
	<u>5,757,712</u>	<u>5,161,453</u>	<u>255,356</u>	<u>107,537</u>
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost	(5,523,640)	(4,603,076)	(245,890)	(65,890)

Financial assets measured at fair value through profit or loss comprise cash at bank and investments.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts owed to group undertakings, bank overdrafts and accruals.

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

24. DEFERRED TAXATION

Group

	2019 £
At beginning of year	(73,777)
Charged to profit or loss	(509)
At 30 JUNE 2019	(74,286)
	Group 2019 £
Accelerated capital allowances	(74,286)
	Group 2018 £
	(73,777)
	(74,286)
	(73,777)

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

25. SHARE CAPITAL

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID		
152 (2018: 152) Ordinary shares of £1.00 each	152	152
48 (2018: 48) Ordinary A shares of £1.00 each	48	48
	<u>200</u>	<u>200</u>

26. RESERVES

Share premium account

This reserve is the excess of consideration over the nominal value of share capital.

Profit and loss account

This reserve includes all current and prior period retained profits and losses.

27. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £229,343 (2018: £193,588). Contributions totalling £14,033 (2018: £11,481) were payable to the fund at the balance sheet date.

28. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £
Not later than 1 year	550,043	524,483
Later than 1 year and not later than 5 years	1,420,807	1,398,974
Later than 5 years	855,493	1,049,250
	<u>2,826,343</u>	<u>2,972,707</u>

COUNTY BUILDING SUPPLIES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

29. RELATED PARTY TRANSACTIONS

	2019 £	2018 £
Dividends received from group companies	181,328	165,411
Dividends paid to directors	260,400	177,064
Amounts due from related companies	156,610	156,610
Amounts due from directors	1,667	19,729
Amounts owed to directors	1,099	-
Sales to directors	27,925	34,456
Amounts received from directors	41,556	65,922
Purchases from related parties	20,100	-
Sales to related parties	354	-

An omnibus guarantee and set off agreement is in place to cover the bank overdrafts with Lloyds Bank Plc in relation to County Building Supplies (Holdings) Limited and it's related companies.

The Directors, MA Rees and GD Lloyd, have given a personal guarantee of £50,000 each as security relating to facilities advanced by Lloyds Bank Plc to County Building Supplies (Holdings) Limited and it's related companies.

30. CONTROLLING PARTY

The ultimate controlling parties are M A Rees and G D Lloyd by virtue of owning 76% of the issued share capital of the company.