

JRL Brick-Slip Systems Limited

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 11198938



JRL Brick-Slip Systems Limited

Company Information

Directors Mr R J Gleeson
Mr K W Keegan
Mr J J Reddington

Company secretary Mr R J Gleeson

Registered number 11198938

Registered office 4 Elstree Way
Borehamwood
Hertfordshire
WD6 1RN

Independent auditor BDO LLP
55 Baker Street
London
W1U 7EU

JRL Brick-Slip Systems Limited

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JRL Brick-Slip Systems Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 for the company's financial statements and then apply them consistently;
- 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity is that of a specialist facade contractor.

Results and dividends

The loss for the year, after taxation, amounted to £280,043 (2018 - £NIL).

The directors do not recommend the payment of a dividend (2018 - £NIL).

Directors

The directors who served during the year were:

Mr R J Gleeson
Mr K W Keegan
Mr J J Reddington

JRL Brick-Slip Systems Limited

Directors' Report (continued) for the Year Ended 31 December 2019

Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

Other matters and going concern

On 11 March 2020 the World Health Organisation declared COVID-19 a global pandemic and recommended containment and mitigation measures. The company continues to monitor developments and address the impact on the company's business. Whilst it is difficult to predict the full impact of COVID-19 at this stage the directors have considered the company's own financial position and prospects and believe that the company continues to remain a going concern. Further details of this are included in the notes to the financial statements.

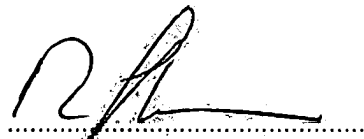
Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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


.....
Mr R. Gleeson
Director

Date: 9/10/20

JRL Brick-Slip Systems Limited

Independent Auditor's Report to the Members of JRL Brick-Slip Systems Limited

Opinion

We have audited the financial statements of JRL Brick-Slip Systems Limited ("the company") for the year ended 31 December 2019 which comprise the statement of comprehensive income, the statement of financial position, 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 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 company's affairs as at 31 December 2019 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

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 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

JRL Brick-Slip Systems Limited

Independent Auditor's Report to the Members of JRL Brick-Slip Systems Limited (continued)

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 material misstatements in the director's 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

JRL Brick-Slip Systems Limited

Independent Auditor's Report to the Members of JRL Brick-Slip Systems Limited (continued)

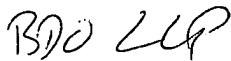
Auditor's responsibilities for the audit of the financial statements

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

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

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.



Thomas Edward Goodworth (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 09/10/2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

JRL Brick-Slip Systems Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

		31 December 2019 £	12 February 2018 to 31 December 2018 £
	Note		
Revenue		313,736	-
Cost of sales		(659,432)	-
Gross loss		(345,696)	-
Administrative expenses		(36)	-
Operating loss	4	(345,732)	-
Tax on loss	5	65,689	-
Loss for the year/period		(280,043)	-

All amounts relate to continuing operations.

There was no other comprehensive income for 2019 (2018 - £NIL).

The notes on pages 9 to 14 form part of these financial statements.


JRL Brick-Slip Systems Limited
Registered number: 11198938

Statement of Financial Position
as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	6	379,425	-
Cash and cash equivalents		964	1,000
		<u>380,389</u>	<u>1,000</u>
Creditors: amounts falling due within one year	7	(659,432)	-
Net current liabilities		<u>(279,043)</u>	<u>1,000</u>
Net liabilities		<u>(279,043)</u>	<u>1,000</u>
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(280,043)	-
		<u>(279,043)</u>	<u>1,000</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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


.....
Mr R. J. Gleeson
Director

Date: 9/10/20

The notes on pages 9 to 14 form part of these financial statements.

JRL Brick-Slip Systems Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1,000	-	1,000
Comprehensive loss for the year			
Loss for the year	-	(280,043)	(280,043)
At 31 December 2019	<u>1,000</u>	<u>(280,043)</u>	<u>(279,043)</u>

Statement of Changes in Equity for the Period Ended 31 December 2018

	Called up share capital	Total equity
	£	£
At 12 February 2018	1,000	1,000
At 31 December 2018	<u>1,000</u>	<u>1,000</u>

The notes on pages 9 to 14 form part of these financial statements.

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1. General information

JRL Brick-Slip Systems Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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 management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of JRL Group Holdings Limited as at 31 December 2019 and these financial statements may be obtained from 4 Elstree Way, Borehamwood, Hertfordshire, WD6 1RN.

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

2. Accounting policies (continued)

2.3 Going concern

In making their assessment of the ability of the company to continue as a going concern, the directors have considered the impact of COVID-19 and the resulting economic uncertainty. In order to assess the potential impact of COVID-19, financial forecasts have been produced for the ultimate parent undertaking, JRL Group Holdings Limited, on a consolidated group basis for a period in excess of 12 months from the date of these financial statements. These forecasts have been produced using the group's existing forward order book and workload, assessments of current and future market conditions and expected new business, together with other risks and uncertainties in the business. Using these forecasts, the board considers the group has sufficient funding to continue trading. The directors of JRL Group Holdings Limited concluded that the consolidated group and each individual subsidiary is also a going concern.

The directors have prepared detailed forecasts with supporting cash flow forecasts for a period in excess of twelve months beyond the signing of these financial statements. These forecasts take account of the current performance, the forward secured order book and the existing market conditions. A number of different severe scenarios have been evaluated in order to understand the impact on profitability, liquidity and the group's borrowing covenants. Overall the directors are satisfied that the group has sufficient cash reserves and strength in the balance sheet to demonstrate that the going concern method of preparing the accounts continues to be appropriate.

As part of the group's response to COVID-19, these forecasts have been reviewed based on the directors' current expectation of performance, and the board has considered a range of potential scenarios of escalating impact and duration. Under all scenarios that the directors evaluated, within a period of twelve months from the signing of these accounts, the group has sufficient liquidity to meet its obligations as they fall due. As such the directors consider the going concern basis of preparation to be appropriate.

The directors have considered the company's own financial position and prospects, and also the ultimate parent company's position and assurances, and accordingly have concluded that it is appropriate for the company to prepare its own financial statements on a going concern basis.

2.4 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.

2.5 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.

2.6 Creditors

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

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

2. Accounting policies (continued)

2.7 Grants under the performance model

An entity applying the performance model shall recognise grants as follows:

- A grant that does not impose specified future performance-related conditions on the receipt is recognised in income when the grant proceeds are received or receivable.
- A grant that imposes specified future performance-related conditions on the receipt is recognised in income only when the performance-related conditions are met.
- Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

2.8 Finance costs

Finance costs are charged to the 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.

2.9 Current and deferred taxation

Tax is recognised in the 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 operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the financial year.

Given the COVID-19 pandemic, enhanced judgement is needed around the company's ability to continue as a Going Concern and the assumptions considered, see Note 2.3 for detail.

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

4. Operating loss

During the year, a research and development grant of £313,736 was recognised in relation to the development of an unlisted façade using mechanically restrained brick slips.

Auditor's remuneration is borne by a subsidiary of the group.

During the year, no director received any emoluments (2018 - £NIL). The directors are paid by fellow group company, J Reddington Limited.

5. Taxation

	31 December 2019 £	12 February 2018 to 31 December 2018 £
Corporation tax		
Current tax on loss for the year/period	(65,689)	-
Taxation on loss on ordinary activities	<u>(65,689)</u>	<u>-</u>

Factors affecting tax credit for the year/period

The tax assessed for the year/period is the same as (2018 - the same as) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%) as set out below:

	31 December 2019 £	12 February 2018 to 31 December 2018 £
Loss on ordinary activities before tax	(345,732)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	(65,689)	-
Total tax credit for the year/period	<u>(65,689)</u>	<u>-</u>

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

6. Debtors

	2019 £	2018 £
Prepayments and accrued income	313,736	-
Corporation tax recoverable	65,689	-
	<u>379,425</u>	<u>-</u>

All amounts shown under debtors fall due for payment within one year.

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	<u>659,432</u>	<u>-</u>

8. Share capital

	2019 £	2018 £
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

10. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

11. Post balance sheet events

On 11 March 2020, the World Health Organisation declared the coronavirus (COVID-19) a global pandemic. There are no comparable recent events which may provide guidance as to the effects of the pandemic and the ultimate impact of COVID-19 is uncertain. Given the emergence and spread of COVID-19 occurred in 2020 it is not considered relevant to conditions that existed at the balance sheet date, consequently COVID-19 is considered to be a non-adjusting post balance sheet event and as such has not impacted the measurement of assets and liabilities in these financial statements.

JRL Brick-Slip Systems Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

12. Ultimate parent undertaking and controlling party

The company is a subsidiary of JRL Group Limited, a company registered in England and Wales. The ultimate parent company is JRL Group Holdings Limited, a company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by JRL Group Holdings Limited. The smallest group in which the results of the company are consolidated is that headed by JRL Group Limited. The consolidated accounts of both of these companies are available to the public and may be obtained from 4 Elstree Way, Borehamwood, Hertfordshire, WD6 1RN.