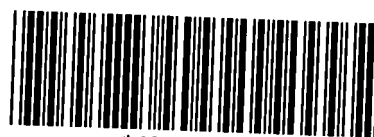


Rawle Gammon & Baker Holdings Limited

**Annual Report and Financial Statements
Year Ended 31 March 2018**

Registration number: 308273

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Rawle Gammon & Baker Holdings Limited

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Rawle Gammon & Baker Holdings Limited

Company Information

Directors C J Worth FCIS - Chairman
K P Fenlon - Chief Executive
P J Turner FCCA - Finance Director
A Gamble - Operations Director
J A Naylor BA (Hons.) MCIPD - Human Resources Director
R W Isaac - Non Executive Director
C W Smith FCA - Non Executive Director

Company secretary R E Dafforn ACMA

Registered office Gammon House
Riverside Road
Pottington Business Park
Barnstaple
Devon
EX31 1QN

Solicitors Clarke Willmott LLP
1 Georges Square
Bath Street
Bristol
BS1 6BA

Ashfords LLP
Ashford House
Grenadier Road
Exeter
EX1 3LH

Bankers Santander UK PLC
Milford House
Pynes Hill
Exeter
EX2 5TH

Auditors PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Rawle Gammon & Baker Holdings Limited

Strategic Report

Year Ended 31 March 2018

The directors present their strategic report for the year ended 31 March 2018.

Review of the Business

The principal activity of the company continued to consist of the supply of building materials, timber and engineered wood products to the construction industry and the general public.

The year has been one of consolidation as we continued with the development of our new branches at Torquay, Wellington and Bodmin. The full scale depot in Okehampton has made excellent progress. We also continued to promote our brand operations of "The Room Works" and "TecBuild". In April 2018 we opened new offices in our former Plumbing & Heating unit in Okehampton to house the administration of the TecBuild Specialist Products division. In May 2018 we took a lease on an industrial unit on the Shutterton Industrial Estate at Dawlish which we intend to develop as a Plumbing and Heating outlet.

Business during the first three quarters of the year was very satisfactory despite the unexpected General Election result in June and the uncertainty over Brexit. Record sales were obtained in October. After Christmas we suffered from a very wet January which led to sales being slow and again during the first week in March when we had a spell of snow and ice which affected all our depots.

Sales

Overall, sales increased by 11.04% (£6.8 million to £68.4 million).

Profit

Operating Profit amounted to £3.749 million (2017 £3.433 million). The company previously reported its results on a 'consolidated' basis (i.e. taking the company and its subsidiaries together). As a subsidiary of FTI Management Limited, Rawle Gammon & Baker Holdings Limited has now taken the exemption available to present its results on a 'company only' basis (excluding subsidiaries).

A reconciliation of the 2016/17 position is shown below:-

	£'000
Consolidated profit after tax as reported in 2016/17 financial statements	2,437
<i>Consolidation adjustment</i>	
Consolidation adjustment re. depreciation on property previously sold by Rawle Gammon & Baker Limited to Rawle Gammon & Baker Holdings Limited	(21)
<i>Items reflected in company only profit and loss account, eliminated on consolidation</i>	
Dividend from subsidiaries (*)	8,828
Write down of cost of investment in subsidiaries (*)	(7,437)
Company profit after tax as shown as comparative in 17/18 financial statements	<u>3,807</u>

(*) These were one-off accounting transactions following a capital reduction by Rawle Gammon & Baker Limited and Wreyland Developments Limited in 2016/17.

Rawle Gammon & Baker Holdings Limited

Strategic Report

Year Ended 31 March 2018

Key Performance Indicators

The Directors monitor a number of Key Performance Indicators (KPI's) for the business. A limited selection of the KPI's monitored are shown below:

	RGB	Industry average*
Return on Capital Employed (ROCE)**	17.04%	14.31%
Gross margin %	31.86%	30.02%
Operating profit %	5.48%	5.12%

*Source: an analysis of the most up to date publicly available financial information of comparable Builders Merchants based in the United Kingdom.

** RGB and Industry average ROCE stated after interest and taxation

Our people

At the end of the year we were employing 364 people in twenty depots and Head Office with a full-time equivalent of 343. It is interesting to note that in the mid-1980's we employed 350 over four depots and Head Office.

We must pay tribute to our staff who have coped well during a busy year to provide high levels of customer service and have worked hard to deliver the successful opening of the new outlets. The Apprenticeship and Building Talent Schemes continue in operation.

Principal risks and uncertainties

Market risk - the performance of the company relies partly on the performance and health of the economy. The directors adopt a business model that mitigates market risk by focusing the core business on a wide customer base, with a wide mix of product. The directors also look for gaps and opportunities as markets change.

Pension fund - future accruals into the Defined Benefit pension scheme ceased in 2005. Deficit funding contributions of £900,000 per annum were agreed with the Trustees of the Scheme following the Actuarial Valuation undertaken in November 2009. The most recent Actuarial Valuation as at November 2014 confirmed these deficit funding contributions as sufficient. Deficit funding at this level is incorporated into all company financial projections.

Financial risk - the company closely monitors bank covenants and operates well within any applicable limits. The company negotiates competitive rates of interest but does not hedge against interest rate risk. The company has no direct exposure to exchange rate risk.

Raw material availability and price risk - the company continually monitors sources of materials and associated prices while maintaining strong relationships with manufacturers and suppliers.

Credit risk - the company maintains strong relationships with each of its key customers and has established credit control parameters. The spread of risk across a wide customer base is such that no single customer or group of customers represents a high or unacceptable level of risk.

Rawle Gammon & Baker Holdings Limited

Strategic Report

Year Ended 31 March 2018

Liquidity risk and cash flow risk - the company closely monitors liquidity and the availability of cash to ensure sufficient funds remain available to meet working capital requirements.

Approved by the Board on 26 July 2018 and signed on its behalf by:



.....
R E Dafforn ACMA
Company secretary

Rawle Gammon & Baker Holdings Limited

Directors' Report

Year Ended 31 March 2018

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

Results and dividends

The profit for the year after taxation amounted to £2,614,816 (2017 - £3,807,378)

The Directors paid Dividends amounting to £1.93 on both the 'A' & 'B' Ordinary Shares of the company in respect of the year ended 31 March 2017.

A dividend of £2.10 per 'A' & 'B' Ordinary Share is proposed, and if approved by Shareholders will be payable on Monday 1 October 2018.

Directors

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

C J Worth FCIS - Chairman

K P Fenlon - Chief Executive

P J Turner FCCA - Finance Director

A Gamble - Operations Director

J A Naylor BA (Hons.) MCIPD - Human Resources Director

R W Isaac - Non Executive Director

C W Smith FCA - Non Executive Director

Future Developments

The Directors have adopted a policy of controlled expansion and during the year have monitored opportunities as they have arisen. The company intends to open a new Plumbing & Heating outlet in Dawlish during the autumn of 2018 and continues to consider a number of other opportunities that may possibly be available in the future.

Going Concern

To discharge the obligation to assess 'Going Concern', the directors have considered future revenue expectations in the current market, together with the common sense approach that is applied to the management of margins and overheads. The directors have considered future cash flow requirements and the availability of finance. The directors consider that it remains appropriate to prepare the accounts on a going concern basis.

Policy and practice on the payment of creditors

It is the policy and practice to pay creditors on time, as debts fall due.

Charitable contributions

Charitable donations amounting to £14,216 were made during the year (2017 - £6,548).

Rawle Gammon & Baker Holdings Limited

Directors' Report

Year Ended 31 March 2018

Disabled employees

It is the company's policy to give full consideration to any suitable application for employment by disabled persons. Disabled persons are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees of the group who become disabled to continue in their employment or to be re-trained for other positions in the company.

Employee involvement

Two way communication with employees takes place on a formal basis through meetings of the Works Council which is made up of representatives of all depots. Additionally, informal consultations take place at all levels. Employee participation in the group's financial success takes place via the medium of a taxable discretionary bonus scheme.

Disclosure of information to the auditor

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

Approved by the Board on 26 July 2018 and signed on its behalf by:



.....
R E Dafforn ACMA
Company secretary

Rawle Gammon & Baker Holdings Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Rawle Gammon & Baker Holdings Limited

Independent Auditor's Report to the Members of Rawle Gammon & Baker Holdings Limited

Opinion

We have audited the financial statements of Rawle Gammon & Baker Holdings Limited (the 'company') for the year ended 31 March 2018, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 March 2018 and of its 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 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.

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.

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.

Rawle Gammon & Baker Holdings Limited

Independent Auditor's Report to the Members of Rawle Gammon & Baker Holdings Limited

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.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, 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.

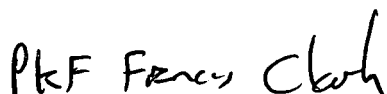
Rawle Gammon & Baker Holdings Limited

Independent Auditor's Report to the Members of Rawle Gammon & Baker Holdings Limited

Auditor's responsibilities for the audit of the financial statements

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

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



.....
Glenn Nicol (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

26 July 2018

Rawle Gammon & Baker Holdings Limited

Profit and Loss Account

Year Ended 31 March 2018

	Note	2018 £	2017 £
Turnover	3	68,360,719	61,561,913
Cost of sales		<u>(46,580,665)</u>	<u>(42,328,043)</u>
Gross profit		21,780,054	19,233,870
Administrative expenses		<u>(18,031,065)</u>	<u>(15,801,127)</u>
Operating profit	4	<u>3,748,989</u>	<u>3,432,743</u>
Income from shares in group undertakings (*)		-	8,827,752
Other interest receivable and similar income	8	23,936	18,132
Amounts written off investments (*)		-	(7,436,827)
Interest payable and similar charges	9	<u>(386,438)</u>	<u>(391,050)</u>
		<u>(362,502)</u>	<u>1,018,007</u>
Profit before tax		3,386,487	4,450,750
Taxation	10	<u>(771,671)</u>	<u>(643,372)</u>
Profit for the financial year		<u><u>2,614,816</u></u>	<u><u>3,807,378</u></u>

The above results were derived from continuing operations.

(*) These were one-off accounting transactions following a capital reduction by Rawle Gammon & Baker Limited and Wreyland Developments Limited in 2016/17.

Rawle Gammon & Baker Holdings Limited

Statement of Comprehensive Income

Year Ended 31 March 2018

	2018	2017
	£	£
Profit for the year	<u>2,614,816</u>	<u>3,807,378</u>
Purchase of own shares by RGB Employees Beneficial Trust	(24,012)	-
Remeasurement gain/loss on defined benefit pension schemes	<u>916,321</u>	<u>(3,180,110)</u>
	<u>892,309</u>	<u>(3,180,110)</u>
Total comprehensive income for the year	<u><u>3,507,125</u></u>	<u><u>627,268</u></u>

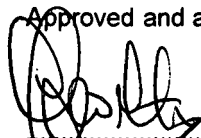
Rawle Gammon & Baker Holdings Limited

Balance Sheet

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	11	500,000	800,000
Tangible assets	12	16,692,662	16,351,283
Investments	13	15,005	15,005
		<u>17,207,667</u>	<u>17,166,288</u>
Current assets			
Stocks	14	6,021,747	5,274,380
Debtors	15	13,129,481	13,173,229
Cash at bank and in hand		1,736,290	1,358,049
		<u>20,887,518</u>	<u>19,805,658</u>
Creditors: Amounts falling due within one year	17	<u>(8,667,327)</u>	<u>(8,903,883)</u>
Net current assets		<u>12,220,191</u>	<u>10,901,775</u>
Total assets less current liabilities		29,427,858	28,068,063
Creditors: Amounts falling due after more than one year	17	(1,807,871)	(2,079,447)
Provisions for liabilities	20	<u>(363,312)</u>	<u>(373,597)</u>
Net assets excluding pension asset/(liability)		27,256,675	25,615,019
Net pension liability	21	<u>(11,916,000)</u>	<u>(13,578,000)</u>
Net assets		<u>15,340,675</u>	<u>12,037,019</u>
Capital and reserves			
Called up share capital	22	114,574	114,574
Share premium reserve		77,496	77,496
Capital redemption reserve		160,426	160,426
Other reserves		(95,788)	(71,776)
Profit and loss account		<u>15,083,967</u>	<u>11,756,299</u>
Total equity		<u>15,340,675</u>	<u>12,037,019</u>

Approved and authorised by the Board on 26 July 2018 and signed on its behalf by:



.....
C J Worth FCIS - Chairman
Director

Company Registration Number: 308273

The notes on pages 16 to 35 form an integral part of these financial statements.

Rawle Gammon & Baker Holdings Limited

Statement of Changes in Equity

Year Ended 31 March 2018

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 April 2017	114,574	77,496	160,426	(71,776)	11,756,299	12,037,019
Profit for the year	-	-	-	-	2,614,816	2,614,816
(Purchase of own shares by RGB Employees Beneficial Trust)/Net actuarial gain	-	-	-	(24,012)	916,321	892,309
Total comprehensive income	-	-	-	(24,012)	3,531,137	3,507,125
Dividends	-	-	-	-	(203,469)	(203,469)
At 31 March 2018	114,574	77,496	160,426	(95,788)	15,083,967	15,340,675

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 April 2016	114,574	77,496	160,426	(71,776)	11,155,387	11,436,107
Profit for the year	-	-	-	-	3,807,378	3,807,378
Net actuarial loss	-	-	-	-	(3,180,110)	(3,180,110)
Total comprehensive income	-	-	-	-	627,268	627,268
Dividends	-	-	-	-	(26,356)	(26,356)
At 31 March 2017	114,574	77,496	160,426	(71,776)	11,756,299	12,037,019

The notes on pages 16 to 35 form an integral part of these financial statements.
Page 14

Rawle Gammon & Baker Holdings Limited

Statement of Cash Flows

Year Ended 31 March 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit for the year		2,614,816	3,807,378
Depreciation and amortisation	4	1,492,308	1,113,871
Profit on disposal of tangible assets		(5,663)	(9,343)
Finance income	8	(23,936)	(8,845,884)
Finance costs	9	386,438	7,827,877
Corporation tax	10	771,671	643,372
		<u>5,235,634</u>	<u>4,537,271</u>
Working capital adjustments			
Increase in stocks		(747,367)	(466,220)
Increase in operating debtors		(238,792)	(2,128,008)
(Decrease)/increase in operating creditors		(212,936)	1,479,897
Decrease in net pension liability		(558,000)	(541,000)
Increase in provisions		1,715	1,630
		<u>3,480,254</u>	<u>2,883,570</u>
Cash generated from operations			
Corporation tax paid	10	(635,888)	(428,340)
Net cash flow from operating activities		<u>2,844,366</u>	<u>2,455,230</u>
Cash flows from investing activities			
Interest received		23,936	18,132
Acquisitions		-	(1,146,526)
Purchase of tangible assets		(1,563,704)	(1,960,106)
Proceeds from sale of tangible assets		35,700	43,453
Purchase of investments	13	-	(10,000)
Net cash flows from investing activities		<u>(1,504,068)</u>	<u>(3,055,047)</u>
Cash flows from financing activities			
Interest paid (including notional interest on defined benefit pension scheme)		(375,344)	(375,883)
Purchase of own shares by RGB Employees Beneficial Trust		(24,012)	-
Movement in borrowings (including intercompany)		(189,478)	802,239
Payments to finance lease creditors		(169,754)	(255,990)
Dividends paid	23	(203,469)	(26,356)
Net cash flows from financing activities		<u>(962,057)</u>	<u>144,010</u>
Net increase/(decrease) in cash and cash equivalents		378,241	(455,807)
Cash and cash equivalents at 1 April		<u>1,358,049</u>	<u>1,813,856</u>
Cash and cash equivalents at 31 March	16	<u>1,736,290</u>	<u>1,358,049</u>

The notes on pages 16 to 35 form an integral part of these financial statements.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Gammon House
Riverside Road
Pottington Business Park
Barnstaple
Devon
EX31 1QN

These financial statements were authorised for issue by the Board on 26 July 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

2 Accounting policies (continued)

Key judgements and sources of estimation uncertainty

The directors have considered the judgements and estimation uncertainties included in these financial statements and the accounting policies applied. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period only, or in the period of revision and future periods if the revision affects both current and future periods. The key accounting estimates are considered to be as follows:-

- Stock provision - provision is made to write down stock to the lower of cost and net realisable value based on sales made in the past 24 months. The carrying amount of stock is £6,021,747 (2017 - £5,274,380).
- Trade debtors - provision is made against amounts which are considered doubtful on a specific customer by customer basis. The carrying amount of Trade debtors is £9,007,118 (2017 - £8,865,813).
- Defined benefit pension scheme - the cost of the company's defined benefit pension plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, mortality rates and future pension increases and an external actuary is used by management in determining the underlying assumptions and calculations. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management are advised to consider the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit. The carrying amount is £(11,916,000) (2017 - £(13,578,000)).

Revenue recognition

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

The company recognises revenue when:

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

Revenue is recognised on despatch of goods.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

2 Accounting policies (continued)

The current corporation 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 group operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the consolidated profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

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

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

Depreciation

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

Asset class	Depreciation method and rate
Freehold buildings	2.5% reducing balance
Leasehold buildings	straight-line over the lease term
Plant and equipment	3 to 15 years straight-line
Motor vehicles (excluding cars)	4 to 8 years straight-line
Assets under construction	no depreciation is charged
Motor cars	25% reducing balance

Investment property

Investment properties for which fair value can be measured reliably without undue cost of effort on a ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

2 Accounting policies (continued)

Goodwill

Goodwill, representing any excess of fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life up to a presumed maximum of 10 years. Provision is made for any impairment.

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Brand	10 years
Goodwill	2 years

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using an average cost basis.

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

Provisions

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

2 Accounting policies (continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

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

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

Financial instruments

Recognition and measurement

Financial assets and liabilities are recognised/(derecognised) when the company becomes/(ceases to become) party to the contractual provisions of the instrument. The company holds the following financial assets and liabilities:

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment (doubtful debts) are recognised in the profit and loss account before operating profit.

Other loans (including intercompany)

Other loans are initially recorded at transaction price and subsequently measured at amortised cost using the effective interest method with the exception that intercompany loans are not discounted on the grounds of materiality.

The carrying value of short term debtors and creditors, and loans held at amortised cost are shown in notes 15,17 and 18 respectively.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

3 Revenue

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

	2018 £	2017 £
Sale of goods	<u>68,360,719</u>	<u>61,561,913</u>

4 Operating profit

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	1,192,308	1,113,871
Amortisation expense	300,000	-
Profit on disposal of property, plant and equipment	<u>(5,663)</u>	<u>(9,343)</u>

5 Staff costs

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

	2018 £	2017 £
Wages and salaries	9,334,429	8,333,120
Social security costs	847,438	759,872
Pension costs, defined contribution scheme	<u>786,511</u>	<u>651,093</u>
	<u>10,968,378</u>	<u>9,744,085</u>

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

	2018 No.	2017 No.
Production	14	13
Administration and support	96	87
Sales	156	147
Distribution	<u>67</u>	<u>61</u>
	<u>333</u>	<u>308</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	852,690	757,746
Contributions paid to money purchase schemes	67,608	85,461
	<u>920,298</u>	<u>843,207</u>

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

	2018 No.	2017 No.
Accruing benefits under money purchase pension scheme	<u>4</u>	<u>4</u>

In respect of the highest paid director:

	2018 £	2017 £
Remuneration	231,726	202,022
Company contributions to money purchase pension schemes	<u>9,987</u>	<u>25,987</u>

7 Auditor's remuneration

	2018 £	2017 £
Audit of the financial statements	<u>24,000</u>	<u>23,000</u>
Other fees to auditors		
Taxation compliance services	5,625	5,500
Corporate finance services	<u>67,500</u>	<u>-</u>
	<u>73,125</u>	<u>5,500</u>

8 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	<u>23,936</u>	<u>18,132</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

9 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and borrowings	33,344	16,883
Interest on obligations under finance leases and hire purchase contracts	11,094	15,167
Notional interest on defined benefit pension scheme	342,000	359,000
	<u>386,438</u>	<u>391,050</u>

10 Taxation

Tax charged/(credited) in the profit and loss account

	2018 £	2017 £
Current taxation		
UK corporation tax	688,000	575,000
UK corporation tax adjustment to prior periods	827	(1,598)
	<u>688,827</u>	<u>573,402</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(12,000)	(22,000)
Adjustment re defined benefit pension scheme	94,844	91,970
Total deferred taxation	<u>82,844</u>	<u>69,970</u>
Tax expense in the income statement	<u>771,671</u>	<u>643,372</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

10 Taxation (continued)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Profit before tax	<u>3,386,487</u>	<u>4,450,750</u>
Corporation tax at standard rate	643,433	890,150
Effect of revenues exempt from taxation	-	(1,765,550)
Effect of expense not deductible in determining taxable profit (tax loss)	136,219	1,538,398
Deferred tax expense/(credit) relating to changes in tax rates or laws	1,228	(21,245)
Increase/(decrease) in UK and foreign current tax from adjustment for prior periods	827	(1,598)
Tax decrease from effect of indexation allowance on capital gains	(8,952)	(9,435)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(1,084)</u>	<u>12,652</u>
Total tax charge	<u>771,671</u>	<u>643,372</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

11 Intangible assets

	Goodwill £	Brand £	Total £
Cost or valuation			
At 1 April 2017	550,000	250,000	800,000
At 31 March 2018	550,000	250,000	800,000
Amortisation			
Amortisation charge	275,000	25,000	300,000
At 31 March 2018	275,000	25,000	300,000
Carrying amount			
At 31 March 2018	275,000	225,000	500,000
At 31 March 2017	550,000	250,000	800,000

12 Tangible assets

	Land and buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	12,714,051	4,702,549	5,417,590	22,834,190
Additions	136,381	474,460	952,863	1,563,704
Disposals	-	(7,733)	(138,597)	(146,330)
At 31 March 2018	12,850,432	5,169,276	6,231,856	24,251,564
Depreciation				
At 1 April 2017	1,050,328	3,105,770	2,326,809	6,482,907
Charge for the year	191,014	316,667	684,607	1,192,288
Eliminated on disposal	-	(7,733)	(108,560)	(116,293)
At 31 March 2018	1,241,342	3,414,704	2,902,856	7,558,902
Carrying amount				
At 31 March 2018	11,609,090	1,754,572	3,329,000	16,692,662
At 31 March 2017	11,663,723	1,596,779	3,090,781	16,351,283

Included within the net book value of land and buildings above is £9,542,807 (2017 - £9,566,810) in respect of freehold land and buildings and £2,066,283 (2017 - £2,096,913) in respect of long leasehold land and buildings.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

12 Tangible assets (continued)

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2018 £	2017 £
Plant and equipment	-	37,808
Motor vehicles	426,321	583,889
	<u>426,321</u>	<u>621,697</u>

13 Investments in subsidiaries, joint ventures and associates

	2018 £	2017 £
Investments in subsidiaries	5,005	5,005
Other investments - shares in unlisted companies	10,000	10,000
	<u>15,005</u>	<u>15,005</u>

Subsidiaries

£

Cost or valuation

At 1 April 2017

5,005

Carrying amount

At 31 March 2018

5,005

At 31 March 2017

5,005

Other investments - shares in unlisted companies

£

Cost

At 1 April 2017

10,000

Provision

Carrying amount

At 31 March 2018

10,000

At 31 March 2017

10,000

Other investments relate to a 3.4% shareholding of ordinary shares in Merchant Distribution Limited. Merchant Distribution Limited are agents involved in the sale of timber and building materials. Their registered office is Sussex House, Quarry Lane, Chichester, PO19 8PE, England.

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

13 Investments in subsidiaries, joint ventures and associates (continued)

Details of undertakings

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

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
Rawle Gammon & Baker Limited	Gammon House, Riverside Road, Barnstaple, EX31 1QN England	Ordinary shares	100%	100%
Rock Trading Company Limited	Gammon House, Riverside Road, Barnstaple, EX31 1QN England	Ordinary shares	100%	100%
Wreyland Developments Limited	Gammon House, Riverside Road, Barnstaple, EX31 1QN England	Ordinary shares	100%	100%
RGB Employees Beneficial Trust Limited	Gammon House, Riverside Road, Barnstaple, EX31 1QN England	Ordinary shares	100%	100%

Rawle Gammon & Baker Limited is non-trading.

Rock Trading Company Limited is dormant.

Wreyland Developments Limited is non-trading.

RGB Employees Beneficial Trust Limited is Trustee of RGB Employee Beneficial Trust.

14 Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>6,021,747</u>	<u>5,274,380</u>

The cost of stocks recognised as an expense in the year amounted to £46,580,665 (2017 - £42,328,043).

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

15 Debtors

	2018 £	2017 £
Trade debtors	9,007,118	8,865,813
Other debtors	19,125	3,145
Prepayments	2,077,518	1,996,011
Deferred tax assets	<u>2,025,720</u>	<u>2,308,260</u>
	13,129,481	13,173,229
Less non-current portion	<u>(2,025,720)</u>	<u>(2,308,260)</u>
Total current trade and other debtors	<u>11,103,761</u>	<u>10,864,969</u>

Details of trade and other debtors

£2,025,720 (2017 - £2,308,260) of Deferred tax assets is classified as non current. This relates to the deferred tax asset in respect of the defined benefit pension scheme liability.

16 Cash and cash equivalents

	2018 £	2017 £
Cash at bank	<u>1,736,290</u>	<u>1,358,049</u>

17 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	18	81,455	158,014
Trade creditors		6,036,072	6,357,881
Corporation tax		408,001	355,062
Social security and other taxes		623,821	718,175
Other creditors		343,899	379,525
Accrued expenses		<u>1,174,079</u>	<u>935,226</u>
		<u>8,667,327</u>	<u>8,903,883</u>
Due after one year			
Loans and borrowings	18	<u>1,807,871</u>	<u>2,079,447</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

18 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Finance lease liabilities	86,202	168,303
Amounts due to group undertakings	1,721,669	1,911,144
	<u>1,807,871</u>	<u>2,079,447</u>

	2018 £	2017 £
Current loans and borrowings		
Finance lease liabilities	<u>81,455</u>	<u>158,014</u>

Finance lease liabilities are secured on the assets to which they relate.

19 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	86,202	158,014
Later than one year and not later than five years	81,455	168,303
	<u>167,657</u>	<u>326,317</u>

Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	136,525	210,201
Later than one year and not later than five years	507,600	662,731
Later than five years	2,242,875	2,316,900
	<u>2,887,000</u>	<u>3,189,832</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £227,043 (2017 - £217,803).

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

20 Deferred tax and other provisions

	Employee benefits £	Deferred tax £	Total £
At 1 April 2017	11,597	362,000	373,597
Increase (decrease) in existing provisions	1,715	(12,000)	(10,285)
At 31 March 2018	<u>13,312</u>	<u>350,000</u>	<u>363,312</u>

Deferred tax

Deferred tax assets and liabilities

	Liability £
2018	
Accelerated capital allowances	181,000
Short term timing differences	(10,000)
Capital gains	<u>179,000</u>
	<u>350,000</u>
2017	
Accelerated capital allowances	183,000
Short term timing differences	(10,000)
Capital gains	<u>189,000</u>
	<u>362,000</u>

21 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £786,511 (2017 - £651,093).

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

21 Pension and other schemes (continued)

Defined benefit pension schemes

Rawle Gammon & Baker Limited Pension & Assurance Scheme

The company operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 1 November 2014 and updated to 31 March 2018 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The date of the most recent comprehensive actuarial valuation was 01 November 2014. The most recent actuarial valuation showed a deficit of £7,883,000. The company has agreed with the trustees that it will aim to eliminate the deficit over a period of 10 years 7 months from 1 November 2015 by the payment of monthly contributions of £75,000 in respect of the deficit. In addition and in accordance with the actuarial valuation, the company will meet expenses of the scheme and levies to the Pension Protection Fund.

The net notional interest cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £342,000 (2017 - £359,000).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

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

	2018 £	2017 £
Fair value of scheme assets	18,376,000	18,098,000
Present value of defined benefit obligation	<u>(30,292,000)</u>	<u>(31,676,000)</u>
Defined benefit pension scheme deficit	<u>(11,916,000)</u>	<u>(13,578,000)</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2018 £
Present value at start of year	31,676,000
Interest cost	813,000
Actuarial gains and losses	(1,366,000)
Benefits paid	(752,000)
Other	<u>(79,000)</u>
Present value at end of year	<u>30,292,000</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

21 Pension and other schemes (continued)

Fair value of scheme assets

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

	2018 £
Fair value at start of year	18,098,000
Interest income	471,000
Actuarial gains and losses	(262,000)
Employer contributions	900,000
Other	(79,000)
Benefits paid	(752,000)
Fair value at end of year	<u>18,376,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2018 £	2017 £
Equity instruments	11,688,000	6,653,000
Corporate Bonds	3,920,000	6,171,000
Government Bonds	-	315,000
Diversified Growth Assets (DGA)	354,000	3,128,000
Property	2,237,000	1,639,000
Cash & Other	177,000	192,000
	<u>18,376,000</u>	<u>18,098,000</u>

Return on scheme assets

	2018 £	2017 £
Return on scheme assets	<u>209,000</u>	<u>2,697,000</u>

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

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

21 Pension and other schemes (continued)

Principal actuarial assumptions

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

	2018 %	2017 %
Discount rate	2.70	2.60
Inflation (RPI)	3.40	3.50
Inflation (CPI)	2.40	2.50
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.10	2.20
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.20	3.40
Allowance of revaluation of deferred pensions of CPI or 5% p.a. if less	2.40	2.50

Post retirement mortality assumptions

	2018 Years	2017 Years
Current UK pensioners at retirement age - male	22.00	22.00
Current UK pensioners at retirement age - female	24.00	24.00
Future UK pensioners at retirement age - male	23.00	23.00
Future UK pensioners at retirement age - female	25.00	25.00

22 Share capital

Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
'A' ordinary shares of £1 each	93,851	93,851	93,851	93,851
'B' ordinary shares of £1 each	20,723	20,723	20,723	20,723
	<u>114,574</u>	<u>114,574</u>	<u>114,574</u>	<u>114,574</u>

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

23 Dividends

	2018 £	2017 £
<i>Paid during the year</i>		
Dividend of £1.93 per 'A' and 'B' ordinary share (2017 - £0.25)	221,127	28,644
Less dividends on shares held within employee benefit scheme	(17,658)	(2,288)
	<u>203,469</u>	<u>26,356</u>
<i>Proposed</i>		
Dividend of £2.10 per 'A' and 'B' ordinary share (2017 - £1.93)	240,605	221,127
Less dividends on shares held within employee benefit scheme	(22,184)	(17,658)
	<u>218,421</u>	<u>203,469</u>

24 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £94,089 (2017 - £18,781).

Other financial commitments

The company has a cross guarantee in respect of borrowings of the ultimate parent company FTI Management Limited. The amount outstanding at 31 March 2018 was £3,881,250 (2017 £4,106,250). The total amount of other financial commitments not provided in the financial statements was £Nil (2017 - £Nil).

Rawle Gammon & Baker Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2018

25 Related party transactions

Key management personnel

The only Key Management Personnel are the directors. The aggregate compensation paid to them is the amount shown in note 6, Directors Remuneration.

Summary of transactions with key management

During the year, purchases totalling £27,810 (2017 £27,708), at normal market prices have been made by the company from a partnership in which a director of the company is a partner, in respect of consultancy services provided. £Nil was outstanding at 31 March 2018 (2017 £Nil).

During the year, sales totalling £27,824 (2017 £168,053), at cost prices have been made by the company to directors. £5,387 was outstanding at 31 March 2018 (2017 £56,115).

Summary of transactions with parent

FTI Management Limited, the controlling party, advanced funds to Rawle Gammon & Baker Holdings Limited during 2016. The balance owed at 31 March 2018 was £1,716,664 (2017 £1,906,319). A management charge of £68,250 (2017 £63,935) was made by FTI Management Limited during the year to Rawle Gammon & Baker Holdings Limited.

Summary of transactions with other related parties

During the year, purchases totalling £3,035 (2017 £42,180) and sales totalling £5,127 (2017 £27,558), have been carried out at normal market prices by shareholders of FTI Management Limited, or entities in which the shareholder has an interest. The amount due to the company at 31 March 2018 was £538 (2017 £1,047).

26 Parent and ultimate parent undertaking

The company's immediate parent is FTI Management Limited, incorporated in England.

The parent of the smallest group in which these financial statements are consolidated is FTI Management Limited, incorporated in England.

The address of FTI Management Limited is:

Gammon House, Riverside Road, Pottington Business Park, Barnstaple, Devon, EX31 1QN