

Company Registration No. 02951763 (England and Wales)

WOODS BUILDING SERVICES LIMITED
ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



MAYNARD HEADY LLP
CHARTERED ACCOUNTANTS

WOODS BUILDING SERVICES LIMITED

COMPANY INFORMATION

Directors	Mr D Petri Mrs T Petri Mr D Pienaar Mr D Phillips Ms J Solen (Appointed 19 July 2018)
Secretary	Mrs T Petri
Company number	02951763
Registered office	Woods House River Way Harlow Essex CM20 2DP
Auditor	Maynard Heady LLP Matrix House 12-16 Lionel Road Canvey Island Essex SS8 9DE
Business address	Woods House River Way Harlow Essex CM20 2DP

WOODS BUILDING SERVICES LIMITED

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WOODS BUILDING SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

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

Fair review of the business

The principal activity of the company continues to be asbestos removal.

The directors aim to present a report that is fair, balanced and understandable and should provide the information necessary for stakeholders to assess the entity's performance, business model and strategy.

Woods was formed in 1994 to provide high quality asbestos remediation services to the South East of the United Kingdom. Now some twenty-five years later Woods operates from six offices in Harlow (HQ), St Helens, Milton Keynes, Cardiff, Wrexham and Wellington to provide a national service to both the private and public sector.

The focused management team have continued to grow the business, improve profitability in the year and continues to meet its financial and operational objectives.

Principal risks and uncertainties

As with most businesses the company is at risk should there be an economic downturn.

The company has limited exposure to finance risk as it holds no material investments and has a low gearing ratio. In addition, all its operations (with the exception of a few removal jobs within the EU) are invoiced in the UK so there is no currency risk.

The board has procedures in place to identify any risks to the business.

Financial Review

The results for the year are shown in page 7 of the accounts.

Turnover has grown by 18% year on year and is also expected to exceed £11m in FY 2019. The company continues to focus on its gross margin which remains consistent at 18%.

On behalf of the board

Mrs T Petri

Director

11 March 2019

WOODS BUILDING SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the company continued to be that of asbestos removal.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Petri

Mrs T Petri

Mr D Pienaar

Mr D Phillips

Mr C Williams

Ms J Solen

(Resigned 23 February 2018)

(Appointed 19 July 2018)

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £240,000. The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Maynard Heady LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mrs T Petri

Director

11 March 2019

WOODS BUILDING SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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

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

WOODS BUILDING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WOODS BUILDING SERVICES LIMITED

Opinion

We have audited the financial statements of Woods Building Services Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

WOODS BUILDING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WOODS BUILDING SERVICES LIMITED

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 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

WOODS BUILDING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WOODS BUILDING SERVICES LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr. Roger Baines FCA (Senior Statutory Auditor)
for and on behalf of Maynard Heady LLP

11 March 2019

Chartered Accountants
Statutory Auditor

Matrix House
12-16 Lionel Road
Canvey Island
Essex
SS8 9DE

WOODS BUILDING SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Notes	£	£
Turnover	2	11,130,003	9,446,088
Cost of sales		(9,085,716)	(7,661,988)
Gross profit		2,044,287	1,784,100
Administrative expenses		(1,304,129)	(1,142,202)
Operating profit	3	740,158	641,898
Interest receivable and similar income	6	32	7
Interest payable and similar expenses	7	(75,751)	(79,606)
Profit before taxation		664,439	562,299
Tax on profit	8	(130,041)	(103,806)
Profit for the financial year		534,398	458,493

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

WOODS BUILDING SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	£	£
Profit for the year	534,398	458,493
Other comprehensive income	-	-
Total comprehensive income for the year	<u>534,398</u>	<u>458,493</u>

WOODS BUILDING SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10	848,757		521,087	
Investments	11	247		247	
		<u>849,004</u>		<u>521,334</u>	
Current assets					
Stocks	12	564,717		453,099	
Debtors falling due after more than one year	13	2,737,228		2,946,644	
Debtors falling due within one year	13	2,046,432		2,193,525	
Cash at bank and in hand		36,666		42,539	
		<u>5,385,043</u>		<u>5,635,807</u>	
Creditors: amounts falling due within one year	14	<u>(3,196,581)</u>		<u>(3,529,933)</u>	
Net current assets		<u>2,188,462</u>		<u>2,105,874</u>	
Total assets less current liabilities		<u>3,037,466</u>		<u>2,627,208</u>	
Creditors: amounts falling due after more than one year	15	(98,445)		-	
Provisions for liabilities	18	(98,669)		(81,254)	
Net assets		<u><u>2,840,352</u></u>		<u><u>2,545,954</u></u>	
Capital and reserves					
Called up share capital	20	1,000		1,000	
Profit and loss reserves		2,839,352		2,544,954	
Total equity		<u><u>2,840,352</u></u>		<u><u>2,545,954</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 11 March 2019 and are signed on its behalf by:

Mrs T Petri
Director

Company Registration No. 02951763

WOODS BUILDING SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 January 2017		1,000	2,271,461	2,272,461
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	458,493	458,493
Dividends	9	-	(185,000)	(185,000)
Balance at 31 December 2017		1,000	2,544,954	2,545,954
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	534,398	534,398
Dividends	9	-	(240,000)	(240,000)
Balance at 31 December 2018		1,000	2,839,352	2,840,352

WOODS BUILDING SERVICES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	22	966,228	2,009,498
Interest paid		(75,751)	(79,606)
Income taxes paid		(122,028)	(128,302)
Net cash inflow from operating activities		768,449	1,801,590
Investing activities			
Purchase of tangible fixed assets		(482,914)	(92,631)
Interest received		32	7
Net cash used in investing activities		(482,882)	(92,624)
Financing activities			
Repayment of bank loans		(143,328)	(1,003,376)
Payment of finance leases obligations		104,219	(16,203)
Dividends paid		(240,000)	(185,000)
Net cash used in financing activities		(279,109)	(1,204,579)
Net increase in cash and cash equivalents		6,458	504,387
Cash and cash equivalents at beginning of year		30,208	(474,179)
Cash and cash equivalents at end of year		36,666	30,208
Relating to:			
Cash at bank and in hand		36,666	42,539
Bank overdrafts included in creditors payable within one year		-	(12,331)

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Woods Building Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Woods House, River Way, Harlow, Essex, CM20 2DP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings leasehold	Straight line over the life of the lease
Plant and machinery	25% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
Turnover analysed by class of business		
United Kingdom	11,130,003	9,446,088

	2018 £	2017 £
Other significant revenue		
Interest income	32	7

3 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		

Fees payable to the company's auditor for the audit of the company's financial statements	13,100	8,500
Depreciation of owned tangible fixed assets	155,197	144,170
Cost of stocks recognised as an expense	1,280,668	1,036,243
Operating lease charges	401,926	324,396

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Monthly	104	90
Weekly	20	21
	124	111

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	4,789,518	4,094,997

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Directors' remuneration

	2018	2017
	£	£
Remuneration for qualifying services	186,760	248,086

As no one directors' remuneration exceeded £200,000 in the current year, no additional disclosure is provided.

6 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	32	7

7 Interest payable and similar expenses

	2018	2017
	£	£
Interest on bank overdrafts and loans	70,969	77,810
Interest on finance leases and hire purchase contracts	4,782	1,796
	75,751	79,606

8 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	112,626	122,028
Deferred tax		
Origination and reversal of timing differences	17,415	(18,222)
Total tax charge	130,041	103,806

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	664,439	562,299
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	126,243	108,243
Tax effect of expenses that are not deductible in determining taxable profit	2,957	6,531
Effect of change in corporation tax rate	-	(1,951)
Group relief	-	(38)
Permanent capital allowances in excess of depreciation	236	(7,314)
Other	605	(1,665)
Taxation charge for the year	130,041	103,806

9 Dividends

	2018 £	2017 £
Interim paid	240,000	185,000

10 Tangible fixed assets

	Land and buildings leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2018	137,029	758,235	350,922	-	1,246,186
Additions	-	161,895	41,186	279,833	482,914
At 31 December 2018	137,029	920,130	392,108	279,833	1,729,100
Depreciation and impairment					
At 1 January 2018	105,296	415,311	204,539	-	725,146
Depreciation charged in the year	1,243	104,300	23,728	25,926	155,197
At 31 December 2018	106,539	519,611	228,267	25,926	880,343
Carrying amount					
At 31 December 2018	30,490	400,519	163,841	253,907	848,757
At 31 December 2017	31,733	342,971	146,383	-	521,087

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Fixed asset investments

	2018 £	2017 £
Listed investments	247	247
	<u>247</u>	<u>247</u>
Listed investments included above:		
Listed investments carrying amount	247	247
	<u>247</u>	<u>247</u>

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 January 2018 & 31 December 2018	247
	<u>247</u>
Carrying amount	
At 31 December 2018	247
	<u>247</u>
At 31 December 2017	247
	<u>247</u>

12 Stocks

	2018 £	2017 £
Finished goods and goods for resale	564,717	453,099
	<u>564,717</u>	<u>453,099</u>

13 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,718,852	1,951,952
Other debtors	80,966	16,313
Prepayments and accrued income	246,614	225,260
	<u>2,046,432</u>	<u>2,193,525</u>
	<u>2,046,432</u>	<u>2,193,525</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,737,228	2,946,644
	<u>2,737,228</u>	<u>2,946,644</u>
Total debtors	<u>4,783,660</u>	<u>5,140,169</u>

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	16	-	155,659
Obligations under finance leases	17	24,504	18,777
Trade creditors		1,315,111	1,160,292
Other taxation and social security		799,807	801,690
Other creditors		855,321	868,812
Accruals and deferred income		201,838	524,703
		<u>3,196,581</u>	<u>3,529,933</u>

The company received damages in 2016 in respect of a contract for which the revenue has been recognised in line with the contract length. The monies remaining to be released have been included within accruals and deferred income.

Included within other creditors is £857,064 (2017: £819,348) which relates to invoice discount factoring.

15 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	17	98,445	-
		<u>98,445</u>	<u>-</u>

The aggregate amount of creditors for which security has been given amounted to £122,949 (2017 : £174,436).

16 Loans and overdrafts

	2018 £	2017 £
Bank loans	-	143,328
Bank overdrafts	-	12,331
	<u>-</u>	<u>155,659</u>
Payable within one year	-	155,659
	<u>-</u>	<u>155,659</u>

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

17 Finance lease obligations

	2018	2017
	£	£
Future minimum lease payments due under finance leases:		
Within one year	30,524	19,497
In two to five years	106,183	-
	<u>136,707</u>	<u>19,497</u>
Less: future finance charges	(13,758)	(720)
	<u>122,949</u>	<u>18,777</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is three years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Provisions for liabilities

	Notes	2018	2017
		£	£
Deferred tax liabilities	19	98,669	81,254

19 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2018	2017
	£	£
Balances:		
ACAs	98,669	81,254
	<u>98,669</u>	<u>81,254</u>
Movements in the year:		2018
		£
Liability at 1 January 2018		81,254
Charge to profit or loss		17,415
		<u>98,669</u>
Liability at 31 December 2018		<u>98,669</u>

WOODS BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

20 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	316,376	312,077
Between two and five years	203,151	189,939
In over five years	60,000	60,000
	<u>579,527</u>	<u>562,016</u>

22 Cash generated from operations

	2018 £	2017 £
Profit for the year after tax	534,398	458,493
Adjustments for:		
Taxation charged	130,041	103,806
Finance costs	75,751	79,606
Investment income	(32)	(7)
Depreciation and impairment of tangible fixed assets	155,197	144,170
Movements in working capital:		
(Increase) in stocks	(111,618)	(58,313)
Decrease in debtors	356,509	215,097
(Decrease)/increase in creditors	(174,018)	1,066,646
Cash generated from operations	<u>966,228</u>	<u>2,009,498</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.