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COMPANY REGISTRATION NUMBER: SC049540

Fleming Buildings Limited
Financial Statements
30 November 2021



RITSONS
Chartered Accountants & Statutory Auditor
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Fleming Buildings Limited

Financial Statements

Year ended 30 November 2021

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Fleming Buildings Limited

Officers and Professional Advisers

The board of directors

J G Burrows
M J F Burrows
R J Burrows
Mr A Longmuir
Mr A Ward
Mr B McConnell

Company secretary

R J Burrows

Registered office

23 Auchinloch Road
Lenzie
Kirkintilloch
G66 5ET

Auditor

Ritsons
Chartered accountants & statutory auditor
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Bankers

Royal Bank of Scotland
23 Sauchiehall Street
Glasgow
G2 3AD

Solicitors

MacRoberts LLP
Capella
60 York Street
Glasgow
G2 8JX

Fleming Buildings Limited

Strategic Report

Year ended 30 November 2021

PRINCIPAL ACTIVITIES AND REVIEW

The Company's principal activities during the year were acting as a medium sized main contractor, providing general building & contracting services, undertaking contract values of up to £6m throughout Scotland, but predominantly in the central belt, and operating through a specialist structural timber division to design, manufacture & erect timber frame elements for national contractors.

The past 12 months have seen a recovery from the previous year that was impacted by the Coronavirus (Covid 19) pandemic. However there has still been an impact that we have been able to manage. Overall turnover for the full year has increased to £18,554,987 & the directors are pleased to report profits before taxation have increased to £209,605.

Looking forward, we have already successfully secured a similar level of workload for the remainder of this year and are experiencing a healthy level of tender opportunities. Based on this, we expect turnover to increase further next year.

PRINCIPAL RISKS AND UNCERTAINTIES

While we have already secured orders to sustain the current level of turnover for at least the next 12 months our principal concern at present is the significant price inflation, together shortages and longer lead in times in certain materials. We have been anticipating some of the supply issues, & have built up larger stock of key materials where possible. When tendering we have also made allowance for the volatile nature of material costs. The risk has been mitigated through a combination of placing subcontracts early to fix future supply cost in advance and negotiating increases in the material element before concluding final contracts.

Our policy remains to retain significant cash deposits to support growth, maintain customer confidence, and sustain the company through any future downturn. The welfare of our skilled and loyal team remains our priority.

Based on our reputation & the strong relationships we have developed and maintained with key customers, the Company is well placed to continue to be successful in securing contracts in both the main contracting & the timber frame divisions for the foreseeable future.

This report was approved by the board of directors on ~~21 SEPTEMBER 2022~~ and signed on behalf of the board by:



M J F Burrows
Director

Registered office:
23 Auchinloch Road
Lenzie
Kirkintilloch
G66 5ET

Fleming Buildings Limited

Directors' Report

Year ended 30 November 2021

The directors present their report and the financial statements of the company for the year ended 30 November 2021.

Directors

The directors who served the company during the year were as follows:

J G Burrows
M J F Burrows
R J Burrows
Mr A Longmuir
Mr A Ward
Mr B McConnell

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Disclosure of information in the strategic report

A strategic report has been prepared and is included on page 2.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Fleming Buildings Limited

Directors' Report *(continued)*

Year ended 30 November 2021

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on ~~22 September 2022~~ and signed on behalf of the board by:



M J F Burrows
Director

Registered office:
23 Auchinloch Road
Lenzie
Kirkintilloch
G66 5ET

Fleming Buildings Limited

Independent Auditor's Report to the Members of Fleming Buildings Limited

Year ended 30 November 2021

Opinion

We have audited the financial statements of Fleming Buildings Limited (the 'company') for the year ended 30 November 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 30 November 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Fleming Buildings Limited

Independent Auditor's Report to the Members of Fleming Buildings Limited

(continued)

Year ended 30 November 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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 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 or the directors' report.

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

- adequate accounting records have not been kept, 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.

Fleming Buildings Limited

Independent Auditor's Report to the Members of Fleming Buildings Limited

(continued)

Year ended 30 November 2021

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit planning process, the engagement partner and the engagement team obtained an understanding and discussed the legal and regulatory frameworks that are applicable, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company. The key laws and regulations we considered in this context included Companies Act 2006, Financial Report Standard 102 (FRS 102), employment and tax laws, health and safety and construction.

The engagement partner and the engagement team discussed non-compliance with laws and regulations at the audit team planning meeting. The engagement partner made enquiries of management regarding their assessment of the likelihood of fraud or error or non-compliance with laws and regulations which could lead to material misstatements in the financial statements and whether they were aware of any instances of fraud or non-compliance. The engagement partner was satisfied that the engagement team had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations during the audit.

The engagement team also enquired of management as part of the audit, including obtaining and reviewing supporting documentation and reading minutes of meetings of those charged with governance. The engagement team did not identify any key audit matters relating to irregularities, including fraud.

Part of the engagement team's assessment of non-compliance with laws and regulations included a review of the risk of management override of controls. This was carried out by reviewing journals posted to the financial records, reviewing accounting estimates and significant transactions that are outside the normal course of business to identify any material misstatement which may be due to fraud.

The audit team also considered whether there could be fraudulent revenue recognition. This was carried out by reviewing the revenue recognition policies, testing of material revenue streams and testing cut off at the year end date.

The disclosures in the financial statements were reviewed and tested to supporting documentation to assess compliance with applicable laws and regulations. A Disclosure Check was carried out to confirm that the financial statements comply with current accounting requirements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Fleming Buildings Limited

Independent Auditor's Report to the Members of Fleming Buildings Limited

(continued)

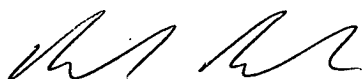
Year ended 30 November 2021

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Daniel Palombo MA, CA (Senior Statutory Auditor)

For and on behalf of
Ritsons
Chartered accountants & statutory auditor
Forbes House
36 Huntly Street
Inverness
IV3 5PR

28 September 2022

Fleming Buildings Limited
Statement of Income and Retained Earnings
Year ended 30 November 2021

	Note	2021 £	2020 £
Turnover	4	18,554,987	12,417,085
Cost of sales		<u>16,456,727</u>	<u>10,761,528</u>
Gross profit		2,098,260	1,655,557
Administrative expenses		<u>2,006,579</u>	1,856,651
Other operating income		<u>106,299</u>	<u>363,165</u>
Operating profit	5	197,980	162,071
Gain on financial assets at fair value through profit or loss		<u>11,326</u>	—
Other interest receivable and similar income	9	<u>299</u>	<u>4,936</u>
Profit before taxation		209,605	167,007
Tax on profit	10	<u>47,431</u>	<u>38,631</u>
Profit for the financial year and total comprehensive income		<u>162,174</u>	<u>128,376</u>
Dividends paid and payable	11	(75,000)	(50,000)
Retained earnings at the start of the year		1,816,805	1,738,429
Retained earnings at the end of the year		<u>1,903,979</u>	<u>1,816,805</u>

All the activities of the company are from continuing operations.

The notes on pages 12 to 20 form part of these financial statements.

Fleming Buildings Limited

Statement of Financial Position

30 November 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	243,460	295,853
Current assets			
Stocks	13	190,973	332,186
Debtors	14	2,535,896	2,206,637
Investments	15	128,852	117,527
Cash at bank and in hand		4,044,393	4,461,760
		<u>6,900,114</u>	<u>7,118,110</u>
Creditors: amounts falling due within one year	16	<u>5,192,021</u>	<u>5,554,950</u>
Net current assets		<u>1,708,093</u>	<u>1,563,160</u>
Total assets less current liabilities		<u>1,951,553</u>	<u>1,859,013</u>
Provisions			
Taxation including deferred tax	17	<u>25,074</u>	<u>19,708</u>
Net assets		<u>1,926,479</u>	<u>1,839,305</u>
Capital and reserves			
Called up share capital	20	22,084	22,084
Capital redemption reserve	21	416	416
Profit and loss account	21	<u>1,903,979</u>	<u>1,816,805</u>
Shareholders funds		<u>1,926,479</u>	<u>1,839,305</u>

These financial statements were approved by the board of directors and authorised for issue on 22 SEPTEMBER 2022 and are signed on behalf of the board by:



M J F Burrows
Director

Company registration number: SC049540

The notes on pages 12 to 20 form part of these financial statements.

Fleming Buildings Limited

Statement of Cash Flows

Year ended 30 November 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	162,174	128,376
<i>Adjustments for:</i>		
Depreciation of tangible assets	58,315	68,929
Gain on financial assets at fair value through profit or loss	(11,326)	—
Other interest receivable and similar income	(299)	(4,936)
(Gains)/loss on disposal of tangible assets	(128)	1,161
Tax on profit	47,431	38,631
Accrued (income)/expenses	(1,126,209)	88,465
<i>Changes in:</i>		
Stocks	141,213	213,755
Trade and other debtors	850,503	(387,871)
Trade and other creditors	(420,189)	514,945
Cash generated from operations	(298,515)	661,455
Interest received	299	4,936
Tax paid	(38,358)	(29,057)
Net cash (used in)/from operating activities	<u>(336,574)</u>	<u>637,334</u>
Cash flows from investing activities		
Purchase of tangible assets	(36,802)	(47,286)
Proceeds from sale of tangible assets	31,009	10,877
Net cash used in investing activities	<u>(5,793)</u>	<u>(36,409)</u>
Cash flows from financing activities		
Dividends paid	(75,000)	(50,000)
Net cash used in financing activities	<u>(75,000)</u>	<u>(50,000)</u>
Net (decrease)/increase in cash and cash equivalents	(417,367)	550,925
Cash and cash equivalents at beginning of year	4,461,760	3,910,835
Cash and cash equivalents at end of year	<u>4,044,393</u>	<u>4,461,760</u>

The notes on pages 12 to 20 form part of these financial statements.

Fleming Buildings Limited

Notes to the Financial Statements

Year ended 30 November 2021

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 23 Auchinloch Road, Lenzie, Kirkintilloch, G66 5ET.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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. This the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

The construction contracts are classed as short term contracts and as such revenue is treated as the sale of goods and is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on the issue of a practical completion certificate); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Income tax *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Tenants improvements	- Over the life of the lease
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

For work-in-progress, cost is taken as construction cost which includes an appropriate proportion of overheads less any progress payments received. Any progress payments received in excess of work-in-progress is treated as a creditor. At each reporting date an assessment is made for impairment and any impairment is recognised in profit and loss.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments, which includes debtors, bank and cash balances and creditors are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Where investments are in publicly traded shares or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021 £	2020 £
Construction contracts	<u>18,554,987</u>	<u>12,417,085</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021 £	2020 £
Depreciation of tangible assets	58,315	68,928
(Gains)/loss on disposal of tangible assets	(128)	1,161
Operating lease payments - rent	55,000	55,000
Gain on financial assets at fair value through profit or loss	<u>11,326</u>	<u>—</u>

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor		
- for the audit of the financial statements	9,900	9,855
- tax services	<u>2,200</u>	<u>2,100</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021 No.	2020 No.
Production staff	44	44
Administrative staff	30	29
	<u>74</u>	<u>73</u>

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

7. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	2,672,154	2,564,591
Social security costs	275,212	255,210
Other pension costs	128,505	109,123
	<u>3,075,871</u>	<u>2,928,924</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	584,936	537,000
Company contributions to defined contribution pension plans	21,392	20,995
	<u>606,328</u>	<u>557,995</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	<u>5</u>	<u>5</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021	2020
	£	£
Aggregate remuneration	<u>150,234</u>	<u>143,013</u>

9. Other interest receivable and similar income

	2021	2020
	£	£
Interest on cash and cash equivalents	<u>299</u>	<u>4,936</u>

10. Tax on profit

Major components of tax expense

	2021	2020
	£	£
Current tax:		
UK current tax expense	42,065	38,358
Deferred tax:		
Origination and reversal of timing differences	5,366	273
Tax on profit	<u>47,431</u>	<u>38,631</u>

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

10. Tax on profit *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit on ordinary activities before taxation	209,605	167,007
Profit on ordinary activities by rate of tax	39,825	31,731
Effect of expenses not deductible for tax purposes	1,396	3,551
Effect of capital allowances and depreciation	868	2,856
(Gain)/loss on disposal of fixed assets	(24)	220
Origination and reversal of timing differences	5,366	273
Tax on profit	47,431	38,631

11. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2021 £	2020 £
Equity dividends on ordinary shares	75,000	50,000

12. Tangible assets

	Tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 December 2020	158,664	112,332	48,006	357,689	676,691
Additions	–	–	–	36,802	36,802
Disposals	(22,607)	–	–	(94,072)	(116,679)
At 30 November 2021	136,057	112,332	48,006	300,419	596,814
Depreciation					
At 1 December 2020	47,599	108,467	30,150	194,622	380,838
Charge for the year	13,606	2,968	6,909	34,832	58,315
Disposals	(6,782)	–	–	(79,017)	(85,799)
At 30 November 2021	54,423	111,435	37,059	150,437	353,354
Carrying amount					
At 30 November 2021	81,634	897	10,947	149,982	243,460
At 30 November 2020	111,065	3,865	17,856	163,067	295,853

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

13. Stocks

	2021 £	2020 £
Raw materials and consumables	10,427	7,998
Work in progress	180,546	324,188
	<u>190,973</u>	<u>332,186</u>

14. Debtors

	2021 £	2020 £
Trade debtors	1,335,575	2,181,382
Prepayments and accrued income	1,195,671	15,909
Other debtors	4,650	9,346
	<u>2,535,896</u>	<u>2,206,637</u>

15. Investments

	2021 £	2020 £
Bonds	<u>128,852</u>	<u>117,527</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,159,138	3,663,948
Accruals and deferred income	380,734	327,181
Corporation tax	41,977	38,270
Social security and other taxes	492,240	171,042
Other creditors	(101)	—
Other creditors	118,033	1,354,509
	<u>5,192,021</u>	<u>5,554,950</u>

17. Provisions

	Deferred tax (note 18) £
At 1 December 2020	19,708
Additions	5,366
At 30 November 2021	<u>25,074</u>

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021 £	2020 £
Included in provisions (note 17)	<u>25,074</u>	<u>19,708</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021 £	2020 £
Accelerated capital allowances	<u>25,074</u>	<u>19,708</u>

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £128,505 (2020: £109,123).

Included in creditors is £12,122 (2020 - £11,131) of outstanding pension payments.

20. Called up share capital

Authorised share capital

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>22,084</u>	<u>22,084</u>	<u>22,084</u>	<u>22,084</u>

21. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

22. Analysis of changes in net debt

	At 1 Dec 2020 £	Cash flows £	At 30 Nov 2021 £
Cash at bank and in hand	4,461,760	(417,367)	<u>4,044,393</u>
Current asset investments	117,527	11,325	<u>128,852</u>
	<u>4,579,287</u>	<u>(406,042)</u>	<u>4,173,245</u>

Fleming Buildings Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

23. Related party transactions

The company was under the control of the three equity directors, Mr J G Burrows, Mr M J F Burrows and Mr R J Burrows.

During the year remuneration paid to six (2020 - six) key management personnel amounted to £606,328 (2020 - £557,995).

During the year dividends totalling £52,076 (2020 - £34,718) were paid to three of the directors (2020 - three).

During the year a dividends totalling £22,924 (2020 - £15,282) were paid to a family member of a director.

During the year two directors (2020 - one) purchased goods from the company totalling £10,223 (2020 - £3,962). The balance outstanding at the year end was £nil (2020 - £4,754).

On 22 January 2015 the company entered into an agreement with A W D Personal Pension Fund to rent property on a five year lease at £45,000 per annum. Included in the accounts is rent amounting to £55,000 (2020 - £55,000) paid to the pension scheme. At 30 November 2021 no new agreement was in place.