

# **M&Y JOINERY AND BUILDING MAINTENANCE LIMITED**

**Report and Financial Statements**

**Year ended 31 March 2014**

REGISTERED WITH  
COMPANIES HOUSE  
NO. 3911918

**Contents**

<b>Report of the Board</b>	<b>1</b>
<b>Strategic Report</b>	<b>3</b>
<b>Independent Auditor's Report to the Members of M&amp;Y Joinery and Building Maintenance Limited</b>	<b>5</b>
<b>Profit and Loss Account</b>	<b>7</b>
<b>Reconciliation of Movement in Shareholders' Funds</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10</b>

## Report of the Board

The Board presents its report together with M&Y Joinery and Building Maintenance Limited's (the "Company") audited financial statements for the year ended 31 March 2014.

### Principal activities

The principal activity of the Company during the year was that of building maintenance services.

The Company is part of the Regenda Group (the "Group"). The Group's principal activities are the development and management of affordable housing.

### Board Members

The Board members who served during the year and subsequently are as follows –

P Coffey (Chair)

B Gallagher (to 31 March 2014)

J Higham (co-opted)

R Chadwick

R Zammit

P Roberts (from 28 January 2014)

### Directors' Responsibilities Statement

The directors are responsible for preparing the Report of the Board and Strategic 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 laws). 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 and 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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and

## **Report of the Board**

### **Directors' Responsibilities Statement (continued)**

- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Going concern**

After making enquiries, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future; being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

### **Annual general meeting**

The annual general meeting is to be held on 25 September 2014.

### **External auditors**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

### **Approval**

The Report of the Board was approved by the Board on 5 August 2014 and signed on its behalf by:



**P Coffey**

**Chair**

Regenda House

Enterprise Business Park

Northgate Close

Horwich

Bolton

BL6 6PQ

# Strategic Report

## Business Review

The Company aspires to become a leading provider of responsive repairs, planned programme works and new build services across the North West. Its overall strategy will be based on a continuing improvement process of setting objectives, measuring results and providing feedback to facilitate further growth and progress.

The Company has established divisions delivering a range of responsive repair services including void refurbishments, day to day repairs, annual gas service programme, gardening and tree management services.

The Company has recently diversified into planned programme works including fixed wire testing, communal lighting upgrades, window and door renewals and central heating installations. Bathroom and kitchen replacement programmes will follow during 2014/2015.

During the year, the Company has continued to provide routine maintenance services solely to the Group. Volume of repairs has increased from prior year and additional services in respect of gas service, breakdown and maintenance have been delivered within the Manchester region along with a small programme of planned works delivery.

## Performance in the year

The Company's management team and Board use a range of indicators to monitor achievement of the Company's objectives. Alongside financial and productivity measures, the key operational performance indicators for the year are shown below.

Target / KPI	Performance
<ul style="list-style-type: none"> <li>Achieve 95% satisfaction with repair and maintenance services delivered.</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction was measured at 98%, where respondents were either satisfied or very satisfied with the repairs service delivered.</li> </ul>
<ul style="list-style-type: none"> <li>Achieve 85% repairs completed on first visit</li> </ul>	<ul style="list-style-type: none"> <li>Overall the company has achieved 88% of repairs completed on first visit.</li> </ul>

Along with specifically measured performance indicators, the Company also monitors and records accidents and near misses as part of its ongoing Health and Safety policies to ensure the continued safety and wellbeing of its workforce.

## Risks and uncertainties

Strategic risks are those that present the greatest threats to the Group. Directly linked to the Group's corporate objectives and performance management framework, the Group's strategic risks are considered and reviewed at least annually by the Risk and Audit Committee as part of the corporate planning process. The risks are recorded and assessed in terms of their likelihood and impact.

## Strategic Report

### Risks and uncertainties (continued)

Risk reports are provided to the Board and the Group's Risk and Audit Committee on a quarterly basis and include assessments of changes in key risk areas and action taken to manage them.

The Company's strategic risks are considered below.

Key risk area	Comment
Financial	<ul style="list-style-type: none"><li>The Company has a very commercial approach to business and this needs to be retained. Even though it provides services purely for the Group, there is the expectation that the Company will work for other businesses externally at some point in the future. Therefore, it must retain its competitive approach to pricing and service delivery to maintain and win future business.</li></ul>
Governance	<ul style="list-style-type: none"><li>Due to the nature of services provided by the Company, compliance with legislation, particularly Health &amp; Safety is paramount. This is managed by a central resource within the Group, but with a dedicated specialist team within the Company. Performance monitoring is ongoing, with appropriate risk assessments and procedures in place.</li></ul>
Business Development	<ul style="list-style-type: none"><li>The Company has expanded rapidly over a short period of time including into areas of business and activities which are relatively new. Necessary planning and preparation has been crucial to the success of such expansion programmes. A consistent approach to project management is in place to ensure plans are delivered.</li></ul>
Supply Chain	<ul style="list-style-type: none"><li>Due to the ongoing expansion of activities, suitable supply chains must be in place to enable successful delivery of services. Equally the increasing reliance on mobile technology and systems has become an important part of an effective and efficient service delivery. Business Continuity plans are in place and are necessary to maintain service delivery.</li></ul>

# **Independent Auditor's Report to the Members of M&Y Joinery and Building Maintenance Limited**

We have audited the financial statements of M&Y Joinery and Building Maintenance Limited for the year ended 31 March 2014 which comprise the profit and loss account, the reconciliation of movement in shareholder's funds, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

## **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 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.

## **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Board and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Independent Auditor's Report to the Members of M&Y Joinery and Building Maintenance Limited

## Matters on which we are required to report by exception

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.

*Grant Thornton UK LLP*

Stuart Muskett

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Manchester

*16 September 2014*



**Profit and Loss Account**  
**For the Year Ended 31 March 2014**

**Profit and loss account**

	Note	2014 £000	2013 £000
Turnover		10,527	8,876
Cost of sales		(8,391)	(7,297)
Gross profit		<u>2,136</u>	<u>1,579</u>
Other operating charges	2	(1,493)	(1,317)
Other operating income	3	38	44
Operating profit	4	<u>681</u>	<u>306</u>
Interest payable	5	(6)	(8)
<b>Profit on ordinary activities</b>		<u>675</u>	<u>298</u>
Gift Aid payment		-	(50)
<b>Profit on ordinary activities before taxation</b>		<u>675</u>	<u>248</u>
Tax on profit on ordinary activities		(157)	(69)
<b>Profit for the financial year</b>	15	<u><u>518</u></u>	<u><u>179</u></u>

The notes on pages 10 to 15 form part of these financial statements.

All operations are continuing.

The company has no recognised gains or losses other than the results in the year set out above.

## Reconciliation of Movement in Shareholders' Funds

For the year ended 31 March 2014

	<b>2014</b> <b>£000</b>	2013 £000
Opening funds	<b>457</b>	278
Profit for the year	<b>518</b>	179
Closing funds	<u><b>975</b></u>	<u>457</u>

The notes on pages 10 to 15 form part of the financial statements.

**Balance Sheet**  
As at 31 March 2014

**Balance Sheet**

	Note	2014 £000	2013 £000
<b>Fixed assets</b>			
Tangible assets	7	<u>377</u>	<u>374</u>
<b>Current assets</b>			
Stocks		113	129
Debtors	8	228	436
Cash at bank		963	52
		<u>1,304</u>	<u>617</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(671)</u>	<u>(501)</u>
<b>Net current assets</b>		<u>633</u>	<u>116</u>
<b>Total assets less current liabilities</b>		<u>1,010</u>	<u>490</u>
<b>Creditors: Amounts falling due after one year</b>	10	(17)	(30)
<b>Provisions for liabilities</b>			
Deferred taxation	12	(18)	(3)
		<u>975</u>	<u>457</u>
<b>Capital and reserves</b>			
Called-up equity share capital	14	10	10
Profit and loss account	15	965	447
		<u>975</u>	<u>457</u>

The notes on pages 10 to 15 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 5 August 2014 and signed on its behalf by:



P Coffey  
Chair

Company Registration Number: 3911918

# Notes to the Financial Statements

## Year ended 31 March 2014

### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and in accordance with the requirements of the Companies Act 2006.

The principal accounting policies of the Company remain unchanged from the previous year and are set out below.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of contracts for on-going services is recognised by reference to the stage of completion.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

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

Offices	-	100 Years
Plant & machinery	-	25% Straight line
Fixtures & fittings	-	25% Straight line
Motor vehicles	-	25% Straight line

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

# Notes to the Financial Statements

## Year ended 31 March 2014

### 1. Accounting policies (Continued)

#### Deferred taxation (continued)

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Finance Leases

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the Group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the income and expenditure account over the period of the lease in proportion to the balance of capital repayments outstanding.

<b>2 Other operating charges</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Administrative expenses	<u>1,493</u>	<u>1,317</u>
<b>3 Other operating income</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Other operating income	<u>38</u>	<u>44</u>
	<u><b>38</b></u>	<u><b>44</b></u>
<b>4 Operating profit</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Operating profit is stated after charging:		
Directors' remuneration	12	8
Depreciation of owned fixed assets	102	95
Depreciation of leased fixed assets	20	19
(Profit) / Loss on disposal of fixed assets	(5)	1
Auditors remuneration	4	4
	<u></u>	<u></u>
<b>5 Interest payable</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Finance lease interest	<u>6</u>	<u>8</u>

# Notes to the Financial Statements

## Year ended 31 March 2014

### 6 Employees

Average monthly number of employees expressed in full time equivalents:

	<b>2014</b>	2013
	<b>Number</b>	Number
Operational	146	137
Administration	17	17
Management	3	2
	<u>166</u>	<u>156</u>

### Employee costs

	<b>2014</b>	2013
	<b>£000</b>	£000
Wages and salaries	3,825	3,327
Social security costs	355	307
Other pension costs	7	11
	<u>4,187</u>	<u>3,645</u>

### Pension costs

The Company participates in a defined contribution scheme within the Social Housing Pension Scheme. Contributions during the year were £7k (2013 £11k). Outstanding contributions at 31 March 2014 were £nil (2013 £nil).

## Notes to the Financial Statements

### Year ended 31 March 2014

#### 7 Tangible fixed assets

	Offices £'000	Plant & Machinery £'000	Fixtures & Fittings £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2013	82	41	244	396	763
Additions during year	-	50	79	-	129
Disposals	-	(3)	-	(12)	(15)
At 31 March 2014	<u>82</u>	<u>88</u>	<u>323</u>	<u>384</u>	<u>877</u>
<b>Depreciation</b>					
At 1 April 2013	1	17	84	287	389
Charge during year	1	14	62	45	122
Released upon disposal	-	(1)	-	(10)	(11)
At 31 March 2014	<u>2</u>	<u>30</u>	<u>146</u>	<u>322</u>	<u>500</u>
<b>Net book value</b>					
At 31 March 2014	<u>80</u>	<u>58</u>	<u>177</u>	<u>62</u>	<u>377</u>
At 31 March 2013	<u>81</u>	<u>24</u>	<u>160</u>	<u>109</u>	<u>374</u>

Included within the net book value of £377k is £27k (2013:£47k) relating to assets held under finance leases. The depreciation charged to the profit and loss account in the period in respect of such assets amounted to £20k (2013: £19k).

#### 8 Debtors

	2014 £000	2013 £000
Trade debtors	5	11
Amounts due from group companies	150	290
Other debtors	3	2
Prepayments	70	133
	<u>228</u>	<u>436</u>

#### 9 Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	210	179
Corporation tax	142	72
Other taxation	105	-
Accruals	200	226
Amounts due under finance leases	14	24
	<u>671</u>	<u>501</u>

# Notes to the Financial Statements

## Year ended 31 March 2014

<b>10 Creditors: Amounts falling after one year</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Amounts due under finance leases	<u>17</u>	<u>30</u>

<b>11 Obligations under finance leases</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Due within one year	14	24
Due between one to two years	16	14
Due between two and five years	1	16
	<u>31</u>	<u>54</u>

<b>12 Deferred taxation</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Excess of taxation allowances over depreciation on fixed assets	<u>18</u>	<u>3</u>

### 13 Related party transactions

The Company has taken advantage of the exemption available under FRS8 not to disclose transactions between Group companies.

There are no other related party transactions to disclose.

<b>14 Share capital</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Authorised share capital:		
10,000 Ordinary shares of £1 each	<u>10</u>	<u>10</u>
Allotted, called up and fully paid:		
At 1 April 2013 and 31 March 2014	<u>10</u>	<u>10</u>

<b>15 Profit and loss account</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
At 1 April	447	268
Profit for the financial year	518	179
At 31 March	<u>965</u>	<u>447</u>



## **Notes to the Financial Statements**

### **Year ended 31 March 2014**

#### **16 Ultimate parent company**

The Company's immediate and ultimate parent is Regenda Limited. Regenda Limited's consolidated financial statements can be obtained from the Group's registered office:

Regenda House  
Enterprise Business Park  
Northgate Close  
Horwich  
Bolton  
BL6 6PQ