

# **M&Y MAINTENANCE & CONSTRUCTION LIMITED**

**(Formerly known as M&Y Joinery  
and Building Maintenance Limited)**

**Report and Financial Statements  
Year ended 31 March 2015**

REGISTERED WITH  
COMPANIES HOUSE  
NO. 3911918

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## **Report of the Board**

The Board presents its report together with M&Y Maintenance & Construction Limited's (formerly known as M&Y Joinery and Building Maintenance Limited) (the "Company") audited financial statements for the year ended 31 March 2015.

On 9 February 2015 M&Y Joinery and Building Maintenance Limited was renamed M&Y Maintenance & Construction Limited.

### **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)

J Higham (co-opted)

R Chadwick (to 25 September 2014)

R Zammit

P Roberts

M Birkett (from 4 November 2014)

### **Directors' Responsibilities Statement**

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

## **Report of the Board**

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

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
- 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 16 September 2015.

### **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.

# Report of the Board

## Approval

The Report of the Board was approved by the Board on 29 July 2015 and signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'P.' followed by the name 'Coffey' written in a cursive script. A horizontal line is drawn underneath the name.

**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 also delivers planned programme works including fixed wire testing, communal lighting upgrades, window and door renewals, bathroom installations and central heating installations. Kitchen replacement programmes will follow during 2015/2016.

During the year, the Company tendered for and subsequently won a contract to provide routine maintenance services to Mulberry Ltd, a lettings agent. The contract commenced in October 2014 and to 31 March 2015 generated turnover of £15k.

## 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 91%, where respondents were either satisfied or very satisfied with the repairs service delivered.</li> </ul>
<ul style="list-style-type: none"> <li>Achieve 80% repairs completed on first visit</li> </ul>	<ul style="list-style-type: none"> <li>Overall the company has achieved 90% 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 mainly for the Group, there is the expectation that the Company will continue to increase the level of external business 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 Maintenance & Construction Limited (formerly known as M&Y Joinery and Building Maintenance Limited)**

We have audited the financial statements of M&Y Maintenance & Construction Limited (formerly known as M&Y Joinery and Building Maintenance Limited) for the year ended 31 March 2015 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/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **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 2015 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 Maintenance & Construction Limited (formerly known as 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.



Stuart Muskett

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Manchester

*16 September 2015*

**Profit and Loss Account  
For the Year Ended 31 March 2015**

	Note	2015 £000	2014 £000
<b>Turnover</b>		12,761	10,527
Cost of sales		(9,619)	(8,391)
<b>Gross profit</b>		<u>3,142</u>	<u>2,136</u>
Other operating charges	2	(1,664)	(1,493)
Other operating income	3	33	38
<b>Operating profit</b>	4	<u>1,511</u>	<u>681</u>
Interest payable	5	(3)	(6)
<b>Profit on ordinary activities</b>		<u>1,508</u>	<u>675</u>
Gift Aid payment		(200)	-
<b>Profit on ordinary activities before taxation</b>		<u>1,308</u>	<u>675</u>
Tax on profit on ordinary activities	11	(281)	(157)
<b>Profit for the financial year</b>	16	<u><u>1,027</u></u>	<u><u>518</u></u>

These financial statements were approved by the Board and authorised for issue on 29 July 2015 and signed on its behalf by:



P Coffey  
Chair

## Reconciliation of Movement in Shareholders' Funds For the year ended 31 March 2015

### Movement in Shareholders' Funds

	2015 £000	2014 £000
Opening funds	975	457
Profit for the year	1,027	518
Closing funds	<u>2,002</u>	<u>975</u>

The notes on pages 10 to 16 form part of the financial statements.

## Balance Sheet

### As at 31 March 2015

	Note	2015 £000	2014 £000
<b>Fixed assets</b>			
Tangible assets	7	<u>333</u>	<u>377</u>
<b>Current assets</b>			
Stocks		138	113
Debtors	8	606	228
Cash at bank		1,923	963
		<u>2,667</u>	<u>1,304</u>
<b>Creditors: Amounts falling due within one year</b>	9	(975)	(671)
<b>Net current assets</b>		<u>1,692</u>	<u>633</u>
<b>Total assets less current liabilities</b>		2,025	1,010
<b>Creditors: Amounts falling due after one year</b>	10	(1)	(17)
<b>Provisions for liabilities</b>			
Deferred taxation	12	(22)	(18)
		<u>2,002</u>	<u>975</u>
<b>Capital and reserves</b>			
Called-up equity share capital	15	10	10
Profit and loss account	16	<u>1,992</u>	<u>965</u>
		<u>2,002</u>	<u>975</u>

The notes on pages 10 to 16 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 29 July 2015 and signed on its behalf by:



P Coffey  
Chair

Company Registration Number: 39119

# Notes to the Financial Statements

## Year ended 31 March 2015

### 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.

# Notes to the Financial Statements

## Year ended 31 March 2015

### 1. Accounting policies (Continued)

#### Deferred taxation (continued)

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.

- 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>	2015	2014
	£000	£000
Administrative expenses	<u>1,664</u>	<u>1,493</u>

<b>3 Other operating income</b>	2015	2014
	£000	£000
Other operating income	<u>33</u>	<u>38</u>
	<u>33</u>	<u>38</u>

<b>4 Operating profit</b>	2015	2014
	£000	£000

Operating profit is stated after charging:

Directors' remuneration	12	12
Depreciation of owned fixed assets	111	103
Depreciation of leased fixed assets	20	20
(Profit) on disposal of fixed assets	(2)	(5)
Auditors remuneration	4	4
	<u>147</u>	<u>144</u>

# Notes to the Financial Statements

## Year ended 31 March 2015

<b>5 Interest payable</b>	2015 £000	2014 £000
Finance lease interest	<u>3</u>	<u>6</u>

### **6 Employees**

Average monthly number of employees expressed in full time equivalents:

	2015 Number	2014 Number
Operational	166	146
Administration	8	17
Management	4	3
	<u>178</u>	<u>166</u>

<b>Employee costs</b>	2015 £000	2014 £000
Wages and salaries	4,271	3,825
Social security costs	407	355
Other pension costs	74	7
	<u>4,752</u>	<u>4,187</u>

### **Pension costs**

The Company participates in a defined contribution scheme within the Social Housing Pension Scheme. Contributions during the year were £74k (2014 £7k). Outstanding contributions at 31 March 2015 were £12k (2014 £nil).

# Notes to the Financial Statements

## Year ended 31 March 2015

### 7 Tangible fixed assets

	Offices £'000	Plant & Machinery £'000	Computer Costs £'000	Fixtures & Fittings £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>						
At 1 April 2014	82	88	176	147	384	877
Additions during year	20	11	43	-	14	88
Disposals	-	-	-	-	(19)	(19)
At 31 March 2015	<u>102</u>	<u>99</u>	<u>219</u>	<u>147</u>	<u>379</u>	<u>946</u>
<b>Depreciation</b>						
At 1 April 2014	2	30	59	87	322	500
Charge during year	2	22	50	24	34	132
Released upon disposal	-	-	-	-	(19)	(19)
At 31 March 2015	<u>4</u>	<u>52</u>	<u>109</u>	<u>111</u>	<u>337</u>	<u>613</u>
<b>Net book value</b>						
At 31 March 2015	<u>98</u>	<u>47</u>	<u>110</u>	<u>36</u>	<u>42</u>	<u>333</u>
At 31 March 2014	<u>80</u>	<u>58</u>	<u>117</u>	<u>60</u>	<u>62</u>	<u>377</u>

Included within the net book value of £333k is £27k (2014:£27k) 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 (2014: £20k).

### 8 Debtors

	2015 £000	2014 £000
Trade debtors	46	5
Amounts due from group companies	520	150
Other debtors	16	3
Prepayments	24	70
	<u>606</u>	<u>228</u>

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

	2015 £000	2014 £000
Trade creditors	439	210
Corporation tax	144	142
Other taxation	113	105
Other creditors	12	-
Accruals	252	200
Amounts due under finance leases	15	14
	<u>975</u>	<u>671</u>



# Notes to the Financial Statements

## Year ended 31 March 2015

<b>10 Creditors: Amounts falling after one year</b>	2015	2014
	£000	£000
Amounts due under finance leases	1	17
	<u>1</u>	<u>17</u>
<b>11 Tax on surplus on ordinary activities</b>		
	2015	2014
	£000	£000
<b>Current Tax</b>		
UK corporation tax on surplus for year @ 21% (2014: 23%)	279	141
Adjustments in respect of prior years	(2)	1
	<u>277</u>	<u>142</u>
<b>Deferred taxation</b>		
Net origination of timing differences	3	17
Adjustments in respect of prior years	1	(2)
	<u>4</u>	<u>15</u>
Tax on surplus on ordinary activities	<u>281</u>	<u>157</u>
<b>Current tax reconciliation</b>		
Surplus for the period before taxation	1308	675
Theoretical tax at UK corporation tax rate 21% (2014: 23%)	275	155
Fixed asset differences	6	7
Expenses not deductible for tax purposes	1	-
Adjustments to tax charge in respect of previous periods	(2)	(1)
Capital Allowances in excess of depreciation	(3)	(20)
Corporation tax charge	<u>277</u>	<u>141</u>
<b>12 Deffered Tax</b>	2015	2014
	£000	£000
At 1 April	18	3
Transfer from income and expenditure account	4	15
At 31 March	<u>22</u>	<u>18</u>
Comprising:		
Capital Allowances	22	18
	<u>22</u>	<u>18</u>
<b>13 Obligations under finance leases</b>	2015	2014
	£000	£000
Due within one year	15	14
Due between one to two years	1	16
Due between two and five years	-	1
	<u>16</u>	<u>31</u>

# Notes to the Financial Statements

## Year ended 31 March 2015

### 14 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>15 Share capital</b>	2015	2014
	£000	£000
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 2014 and 31 March 2015	<u>10</u>	<u>10</u>

<b>16 Profit and loss account</b>	2015	2014
	£000	£000
At 1 April	965	447
Profit for the financial year	1,027	518
At 31 March	<u>1,992</u>	<u>965</u>

### 17 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