

# Collins (Contractors) Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

Company Registration No. 00236372 (England and Wales)

# Collins (Contractors) Limited

## Company Information

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<b>Directors</b>	P.M. Lavender E.J. Lavender B. T Watson J. Blake	(Appointed 1 June 2020) (Appointed 1 June 2020)
<b>Secretary</b>	D. Trow	
<b>Company number</b>	00236372	
<b>Registered office</b>	31 Gillian Street Ladywell London SE13 7AJ	
<b>Auditor</b>	Moore Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL	
<b>Business address</b>	31 Gillian Street Ladywell London SE13 7AJ	
<b>Bankers</b>	HSBC Bank Plc 47 Rye Lane Peckham London SE15 5ET	

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# Collins (Contractors) Limited

## Strategic Report

For the year ended 31 December 2020

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The directors present the strategic report for the year ended 31 December 2020.

### **Fair review of the business**

Over the last year the company has continued to perform well. Consequently turnover has remained similar with £13,683,127 in 2019 compared to £13,579,124. The company's operating profit has increased from £1,304,739 in 2019 to £1,506,598 this year which is largely attributable to decreased subcontractor costs

The company's profit before tax is £1,505,750 which is a strong result for the company.

The company continues to have a strong balance sheet with net assets of £3,550,001, a decrease of £2,005,881 from the prior year, largely due to the management buyout that occurred during the year, and a strong cash position at the end of the year of £1.97m.

The first five months of 2021 have seen the company win over £7.8m of new orders.

The company is fully aware of the requirements to resource these projects whilst continuing to provide a high quality service to its clients. The company continues to maintain its reputation with leading Consultants, Surveyors and Architects within the London area and is confident that 2021 will be another profitable year.

### **Principal risks and uncertainties**

In determining the principal risks and uncertainties affecting the company, the directors have considered the impact of COVID-19 and the measures taken to contain it on the company. Whilst the ultimate impact cannot currently be quantified, given the nature of the company's activities the directors do not believe that the impact on the company will be significant.

Currently the company considers its risks to comprise of the following:

#### i) Liquidity

The principal risk to the company is that clients and suppliers may have their working capital facilities restricted in the current economic climate which would then affect the company. The company manages its liquidity risks by imposing strict review processes at project commencement with prompt cash collection to support the project management. The company has maintained a strong cash balance of £1.97m (2019: £2.96m).

The company meets its day to day working capital requirements through the use of existing funds without the need for a bank overdraft or any other external funding.

#### ii) Health, Safety & Environment

The maintenance of a safe working environment is of prime importance to the company and the company continually monitors and improves its procedures to achieve this. The company continues to further strengthen its health & safety management during the course of the year and funded continuous training for its employees.

On behalf of the board

P.M. Lavender  
**Director**  
2 June 2021

# Collins (Contractors) Limited

## Directors' Report

For the year ended 31 December 2020

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The directors present their annual report and financial statements for the year ended 31 December 2020.

### Principal activities

The principal activity of the company throughout the year was that of Specialist Interior and Exterior Refurbishment Contractors.

### Directors

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

P.M. Lavender

E.J. Lavender

B. T Watson

(Appointed 1 June 2020)

J. Blake

(Appointed 1 June 2020)

### Auditor

In accordance with the company's articles, a resolution proposing that Moore Kingston Smith 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

P.M. Lavender

**Director**

2 June 2021

# Collins (Contractors) Limited

## Directors' Responsibilities Statement

For the year ended 31 December 2020

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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.

# Collins (Contractors) Limited

## Independent Auditor's Report

To the Members of Collins (Contractors) Limited

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### Opinion

We have audited the financial statements of Collins (Contractors) Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, 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 2020 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

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.

### 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.

# Collins (Contractors) Limited

## Independent Auditor's Report (Continued)

### To the Members of Collins (Contractors) Limited

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#### **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.

#### **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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report.

#### **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.

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.

# Collins (Contractors) Limited

## Independent Auditor's Report (Continued)

### To the Members of Collins (Contractors) Limited

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#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement 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.
- 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 purposes of expressing an opinion on the effectiveness of the company's 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.

# Collins (Contractors) Limited

## Independent Auditor's Report (Continued)

To the Members of Collins (Contractors) Limited

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### **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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

**Parveen Chadda (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

15 June 2021

**Chartered Accountants**  
**Statutory Auditor**

Betchworth House  
57-65 Station Road  
Redhill  
Surrey  
RH1 1DL

# Collins (Contractors) Limited

## Statement of Income and Retained Earnings

For the year ended 31 December 2020

	Notes	2020 £	2019 £
<b>Turnover</b>		13,579,124	13,683,127
Cost of sales		(10,369,983)	(10,452,568)
<b>Gross profit</b>		3,209,141	3,230,559
Administrative expenses		(1,770,270)	(1,925,880)
Other operating income		67,727	60
<b>Operating profit</b>		1,506,598	1,304,739
Interest receivable and similar income		412	1,470
Interest payable and similar expenses		(1,260)	(1,766)
<b>Profit before taxation</b>		1,505,750	1,304,443
Taxation	5	(261,721)	(232,535)
<b>Profit for the financial year</b>		1,244,029	1,071,908
Retained earnings brought forward		5,315,252	4,401,122
Dividends		(3,249,910)	(157,778)
Retained earnings carried forward		3,309,371	5,315,252

# Collins (Contractors) Limited

## Balance Sheet

As at 31 December 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		138,415		107,592
Investments	7		750		750
			<u>139,165</u>		<u>108,342</u>
<b>Current assets</b>					
Stock		112,590		4,706	
Debtors	8	3,507,986		4,253,745	
Cash at bank and in hand		1,972,988		2,958,529	
		<u>5,593,564</u>		<u>7,216,980</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,202,982)</u>		<u>(1,797,235)</u>	
<b>Net current assets</b>			<u>3,390,582</u>		<u>5,419,745</u>
<b>Total assets less current liabilities</b>			3,529,747		5,528,087
<b>Creditors: amounts falling due after more than one year</b>	10		(16,800)		(16,800)
<b>Provisions for liabilities</b>	10		37,054		44,595
<b>Net assets</b>			<u>3,550,001</u>		<u>5,555,882</u>
<b>Capital and reserves</b>					
Called up share capital	12		239,057		239,057
Capital redemption reserve			1,573		1,573
Profit and loss reserves			3,309,371		5,315,252
<b>Total equity</b>			<u>3,550,001</u>		<u>5,555,882</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 2 June 2021 and are signed on its behalf by:

P.M. Lavender  
Director

E.J. Lavender  
Director

Company Registration No. 00236372

# Collins (Contractors) Limited

## Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020		2019	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	17		2,600,846		(157,898)
Interest paid			(1,260)		(1,766)
Income taxes paid			(277,130)		(182,507)
			<u>                    </u>		<u>                    </u>
<b>Net cash inflow/(outflow) from operating activities</b>			2,322,456		(342,171)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(83,841)		(75,829)	
Proceeds on disposal of tangible fixed assets		25,342		35,999	
Interest received		412		1,470	
		<u>                    </u>		<u>                    </u>	
<b>Net cash used in investing activities</b>			(58,087)		(38,360)
<b>Financing activities</b>					
Dividends paid		(3,249,910)		(157,778)	
		<u>                    </u>		<u>                    </u>	
<b>Net cash used in financing activities</b>			(3,249,910)		(157,778)
<b>Net decrease in cash and cash equivalents</b>			(985,541)		(538,309)
Cash and cash equivalents at beginning of year			2,958,529		3,496,838
			<u>                    </u>		<u>                    </u>
<b>Cash and cash equivalents at end of year</b>			<u>1,972,988</u>		<u>2,958,529</u>

# Collins (Contractors) Limited

## Notes to the Financial Statements

For the year ended 31 December 2020

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### 1 Accounting policies

#### Company information

Collins (Contractors) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 31 Gillian Street, Ladywell, London, SE13 7AJ.

#### 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 as applicable to companies subject to the small companies regime.

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 pound.

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. The company has continued to trade profitably this year and has a strong balance sheet and cash position. The directors have considered the impact of the COVID-19 outbreak and the measures taken to contain it on the company and whilst the ultimate impact cannot be quantified, given the nature of the company's activities and recent results, the directors do not believe that the impact will be significant. As a result the directors believe that the company will be able to continue in business and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements.

#### 1.3 Turnover

Turnover represents the value of work carried out during the period net of value added tax.

#### 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:

Plant and machinery	25% reducing balance
Fixtures, Fittings and Office Equipment	25% reducing balance and 20% straight line
Motor Vehicles	25% straight line

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.

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Construction contracts

Long-term contract balances classified under the balance sheet heading of "Stock" are stated at total costs incurred, net of amounts in respect of work carried out to date less foreseeable losses and applicable payments on account.

Cumulative turnover (i.e. the total turnover recorded in respect of contracts in the profit and loss accounts of all accounting periods since the inception of the contract) is compared with total payments on account. If the turnover exceeds payments on account an "amount recoverable on contracts" is established and separately disclosed within debtors. If the payments on account are greater than turnover to date, the excess is classified as a deduction from any balance on that contract in stocks with any residual balance in excess of cost being classified as creditors.

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

#### 1.6 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.

#### 1.7 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as 'other' or basic instruments measured at fair value.

##### **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.

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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### 1 Accounting policies

(Continued)

#### ***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.

#### ***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 though 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.

### 1.8 Equity instruments

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

### 1.9 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 tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

The company makes contributions to Collins (Contractors) Limited Directors' Pension Scheme, a defined contribution scheme, the assets of the scheme being held separately from the assets of the company. The company makes contributions on behalf of its employees to both personal pension schemes and defined contribution schemes. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.12 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 2 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	14,160	14,550
	<u>          </u>	<u>          </u>

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 43 (2019: 41).

### 4 Directors' remuneration

	2020	2019
	£	£
Remuneration paid to directors	230,651	262,785
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 2).

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 5 Taxation

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	254,180	277,130
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,541	(44,595)
	<u>7,541</u>	<u>(44,595)</u>
Total tax charge	<u>261,721</u>	<u>232,535</u>

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:

	2020	2019
	£	£
Profit before taxation	1,505,750	1,304,443
	<u>1,505,750</u>	<u>1,304,443</u>
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)</i>	286,093	247,844
Tax effect of expenses that are not deductible in determining taxable profit	-	10,880
Tax effect of income not taxable in determining taxable profit	(1,346)	-
Group relief	(23,026)	-
Permanent capital allowances in excess of depreciation	(7,541)	8,372
Deferred tax adjustments in respect of prior years	7,541	(34,561)
	<u>261,721</u>	<u>232,535</u>
Taxation charge for the year	<u>261,721</u>	<u>232,535</u>

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 6 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2020	327,967
Additions	83,841
Disposals	(69,317)
	<hr/>
At 31 December 2020	342,491
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2020	220,375
Depreciation charged in the year	51,704
Eliminated in respect of disposals	(68,003)
	<hr/>
At 31 December 2020	204,076
	<hr/>
<b>Carrying amount</b>	
At 31 December 2020	138,415
	<hr/> <hr/>
At 31 December 2019	107,592
	<hr/> <hr/>

### 7 Fixed asset investments

	2020 £	2019 £
Investments	750	750
	<hr/> <hr/>	<hr/> <hr/>

#### Movements in fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	750
	<hr/>
<b>Carrying amount</b>	
At 31 December 2020	750
	<hr/> <hr/>
At 31 December 2019	750
	<hr/> <hr/>

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 8 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,977,320	1,757,624
Amounts recoverable on contracts	1,456,085	2,421,746
Other debtors	4,550	8,574
Prepayments and accrued income	70,031	65,801
	<u>3,507,986</u>	<u>4,253,745</u>

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

	2020	2019
	£	£
Trade creditors	1,388,842	1,102,676
Amounts due to group undertakings	4,550	4,550
Corporation tax	254,180	277,130
Other taxation and social security	374,706	241,428
Other creditors	180,704	171,451
	<u>2,202,982</u>	<u>1,797,235</u>

### 10 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Preference shares classed as a financial liability	16,800	16,800
	<u>16,800</u>	<u>16,800</u>
<b>Preference shares classified as financial liabilities</b>		
In more than five years	16,800	16,800
	<u>16,800</u>	<u>16,800</u>

### 11 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 2020	Liabilities 2019
	£	£
<b>Balances:</b>		
ACAs	(100)	(7,641)
General provisions	(36,954)	(36,954)
	<u>(37,054)</u>	<u>(44,595)</u>

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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<b>11 Deferred taxation</b>	<b>(Continued)</b>
	<b>2020</b>
	<b>£</b>
<b>Movements in the year:</b>	
Liability/(Asset) at 1 January 2020	(44,595)
Charge to profit or loss	7,541
	<hr/>
Liability/(Asset) at 31 December 2020	(37,054)
	<hr/> <hr/>

The deferred tax asset set out above is expected to reverse within 12 months and relates to a general provision, that is expected to mature within the same period.

<b>12 Called up share capital</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
239,057 Ordinary shares of £1 each	239,057	239,057
16,800 7.5% cumulative non-participating preference shares of £1 each	16,800	16,800
	<hr/>	<hr/>
	255,857	255,857
	<hr/> <hr/>	<hr/> <hr/>
Shares classed as liabilities	16,800	16,800
Shares classed within shareholders' funds	239,057	239,057
	<hr/>	<hr/>
	255,857	255,857
	<hr/> <hr/>	<hr/> <hr/>

### 13 Operating lease commitments

#### Lessee

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	53,227	48,541
Between two and five years	186,730	181,796
In over five years	225,000	270,000
	<hr/>	<hr/>
Total commitments	464,957	500,337
	<hr/> <hr/>	<hr/> <hr/>

### 14 Related party transactions

No guarantees have been given or received.

# Collins (Contractors) Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 14 Related party transactions

(Continued)

Collins (Contractors) Limited Directors' Pension Scheme charged rent to the company, of which P.M. Lavender and E.J. Lavender are the beneficiaries, at open market value, amounting to £45,000 (2019: £45,000). At year end there was a loan of £nil (2019: £8,574) due from the Pension Scheme. During the year interest of £nil (2019: £379) was charged on this loan.

During the year the company incurred management expenses of £67,174 (2019: £73,685) from Victoria Project Management Limited. P.M. Lavender and E.J. Lavender are directors of Victoria Project Management Limited.

Ordinary dividends totalling £nil (2019: £152,194) and preference dividends totalling £1,035 (2019: £1,035) were paid to P.M. Lavender during the year. Ordinary dividends totalling £nil (2019: £5,586) were paid to E.J. Lavender during the year.

Ordinary dividends totalling £3,249,910 (2019: £nil) were paid to Collins Ladywell Limited during the year.

Preference dividends totalling £225 (2019: £225) were paid to N. D. Cardiff during the year.

### 15 Controlling party

The company was controlled by Mr Phillip Lavender by virtue of his shareholding until the 31 May 2020. From 1 June 2020, the company's immediate parent undertaking is Collins Ladywell Limited, a company incorporated in England and Wales. The registered office is 31 Gillian Street, Ladywell, London, SE13 7AJ.

The ultimate controlling party are the directors of the company.

### 16 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Wall Plastics Limited	England & Wales	Dormant	Ordinary	100.00	0

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Wall Plastics Limited	-	4,579

## Collins (Contractors) Limited

### Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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<b>17 Cash generated from operations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	1,244,029	1,071,908
<b>Adjustments for:</b>		
Taxation charged	261,721	232,535
Finance costs	1,260	1,766
Investment income	(412)	(1,470)
Gain on disposal of tangible fixed assets	(24,028)	(10,260)
Depreciation and impairment of tangible fixed assets	51,704	56,920
<b>Movements in working capital:</b>		
(Increase)/decrease in stock	(107,884)	3,485
Decrease/(increase) in debtors	745,759	(1,312,845)
Increase/(decrease) in creditors	428,697	(199,937)
<b>Cash generated from/(absorbed by) operations</b>	<b>2,600,846</b>	<b>(157,898)</b>

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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.