

COMPANY REGISTRATION NUMBER: 02229614

R.D.M. Electrical Services Limited

Financial Statements

31 March 2023

R.D.M. Electrical Services Limited

Financial Statements

Year ended 31 March 2023

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R.D.M. Electrical Services Limited

Officers and Professional Advisers

The board of directors	R D Moriarty
	D J Kieft
	S Pridmore
	M A Sainsbury
Company secretary	D J Kieft
Registered office	Unit 6 Cambrian Court
	Ferryboat Close
	Swansea Enterprise Park
	SA6 8PZ
Auditor	James & Uzzell Ltd
	Chartered Certified Accountants & statutory auditor
	Axis 15, Axis Court
	Mallard Way
	Riverside Business Park
	Swansea
	SA7 0AJ

R.D.M. Electrical Services Limited

Strategic Report

Year ended 31 March 2023

REVIEW OF BUSINESS

The results for the year and the financial position at the year end were in line with the expectations of the directors. The company will aim to maintain the current margins throughout the year ended 31st March 2024.

PRINCIPAL RISK AND UNCERTAINTIES

The company operates in a very competitive market and has secured its position and good reputation by providing a quality service. The company's trading activities are all within the United Kingdom and therefore it does not expose itself to fluctuating exchange rates. The principal risk facing the company is the strength of the UK economy and following from that the demand for its services. The directors have considered the risk posed by inflation and have factored this into their contract pricing to include at cost plus. The directors recognise the importance of their environmental responsibilities and accepts that concern for the environment and all employees is an integral and fundamental part of the company's corporate business strategy. The directors monitor the impact on the environment and endeavours to design and implement policies and processes to reduce any damage that might be caused by the company's activities. Initiatives include the safe disposal of commercial waste, the minimisation of waste going to landfill, reducing energy consumption and the use of renewable natural resources where possible.

DEVELOPMENT AND PERFORMANCE

The directors aim to maintain the management policies which has resulted in the company's growth in recent years. The results for the current year show that the company has continued to maintain the successful results as in previous years, with the gross profit margin level being maintained.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

	2023	2022
	£	£
Turnover (£)	18,753,687	14,386,234
Gross Profit (%)	16	16
Net Profit (%)	4	5

This report was approved by the board of directors on 1 December 2023 and signed on behalf of the board by:

** D Kieft **

D J Kieft

Director

R.D.M. Electrical Services Limited

Directors' Report

Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023 .

DIRECTORS

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

R D Moriarty

D J Kieft

S Pridmore

M A Sainsbury

DIVIDENDS

Particulars of recommended dividends are detailed in note 12 to the financial statements.

FUTURE DEVELOPMENTS

The directors are optimistic regarding the future prospects of the company and consider that the current year will continue to be profitable. The afterdate results show that activity has continued to be stable. The directors also feel they have outperformed other companies within the same market. The company maintains long standing relationships with a number of customers and suppliers throughout the UK and continues to expand this customer base.

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, group and directors' loans, trade debtors and creditors. The main purpose of these instruments is to raise funds for and finance the company's operations. The company's approach to managing other risks applicable to the financial instruments concerned is shown below. In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of deposit accounts and current accounts. The company has accumulated a high level of cash reserves in order to mitigate the credit risk associated with trade debtors and to facilitate growth. In respect of group and directors' loans, these comprise loans to and from the directors and group companies. No interest is charged on the loans and repayments are set at a level dependant upon the working capital needs of the company.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit risk. The company also maintains increased cash reserves, to mitigate the differential between average debtor days and average creditor days. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The company is exposed to price risk as a result of its operations, in particular adverse fluctuations in employment related costs and the costs of raw materials. The company manages price risk by reviewing prices of goods with various suppliers, ensuring that they are receiving a competitive price and that price increases are passed on to the company's customers. The company also regularly reviews the labour rates paid to employees to ensure that they are competitive, yet are able to be recharged to the company's customers.

RESEARCH AND DEVELOPMENT

The company will continue its policy of investment in research and development in order to retain a competitive position in the market.

QUALIFYING INDEMNITY PROVISION

The Articles of Association of the Company contain an indemnity in favour of all the Directors of the Company that, subject to law, indemnifies the Directors, out of the assets of the Company, from any liability incurred by them in defending any proceedings in which judgement is given in their favour (or otherwise disposed of without any finding or admission of any material breach of duty on their part).

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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. DISCLOSURE OF INFORMATION TO THE AUDITORS

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 1 December 2023 and signed on behalf of the board by:

**** D Kieft ****

D J Kieft

Director

R.D.M. Electrical Services Limited

Independent Auditor's Report to the Members of R.D.M. Electrical Services Limited

Year ended 31 March 2023

OPINION

We have audited the financial statements of R.D.M. Electrical Services Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity 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 31 March 2023 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.

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a review of afterdate management accounts and projections to 31st March 2026. We considered the appropriateness of the assumptions used in compiling the projections and also held discussions with directors of ongoing trading activities and progress of contracts already awarded and expected in the forthcoming years. 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 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 our 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 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 the 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; and

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:

- We obtained an understanding of the legal regulatory frameworks that are applicable to the company and determined that the most significant of those relate to the reporting framework (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)) and the relevant tax compliance regulations, principally relating to those issued by HMRC. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being the General Data Protection Regulation, and those laws and regulations relating to health and safety and employee matters.
- Based on this understanding we designed our audit procedures to identify non compliance with such laws and regulations. Our procedures involved, journal entry testing, with a focus on manual journals or unusual transactions based on our understanding of the business, together with review of health and safety records and ensuring compliance certificates are all up to date and also reviewed contractual correspondence to ensure no compliance issues.
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through discussion with the director and by understanding the entity level controls implemented by those charged with governance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We also considered where the significant estimates and judgements are in the financial statements. We assessed the programmes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures including testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. 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.
- 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.

ALISON JAYNE UZZELL FCCA

(Senior Statutory Auditor)

For and on behalf of

James & Uzzell Ltd

Chartered Certified Accountants & statutory auditor

Axis 15, Axis Court

Mallard Way

Riverside Business Park

Swansea

SA7 0AJ

1 December 2023

R.D.M. Electrical Services Limited

Statement of Comprehensive Income

Year ended 31 March 2023

		2023	2022
	Note	£	£
TURNOVER	4	18,753,687	14,386,234
Cost of sales		15,758,342	12,151,862
		-----	-----
GROSS PROFIT		2,995,345	2,234,372
Administrative expenses		2,170,363	1,583,043
		-----	-----
OPERATING PROFIT	6	824,982	651,329
Other interest receivable and similar income	10	34	108
		-----	-----
PROFIT BEFORE TAXATION		825,016	651,437
Tax on profit	11	—	(39,986)
		-----	-----
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		825,016	691,423
		-----	-----

All the activities of the company are from continuing operations.

R.D.M. Electrical Services Limited

Statement of Financial Position

31 March 2023

		2023	2022
	Note	£	£
FIXED ASSETS			
Tangible assets	13	19,940	11,054
CURRENT ASSETS			
Stocks	14	287,068	287,068
Debtors	15	4,684,546	3,831,456
Cash at bank and in hand		8,205	419,928
		-----	-----
		4,979,819	4,538,452
CREDITORS: amounts falling due within one year	16	2,459,626	2,490,967
		-----	-----
NET CURRENT ASSETS		2,520,193	2,047,485
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		2,540,133	2,058,539
PROVISIONS			
Taxation including deferred tax	18	4,000	4,000
		-----	-----
NET ASSETS		2,536,133	2,054,539
		-----	-----
CAPITAL AND RESERVES			
Called up share capital	20	106	106
Profit and loss account		2,536,027	2,054,433
		-----	-----
SHAREHOLDERS FUNDS		2,536,133	2,054,539
		-----	-----

These financial statements were approved by the board of directors and authorised for issue on 1 December 2023 , and are signed on behalf of the board by:

D J Kieft

Director

Company registration number: 02229614

R.D.M. Electrical Services Limited

Statement of Changes in Equity

Year ended 31 March 2023

		Called up share capital £	Profit and loss account £	Total £
AT 1 APRIL 2021		106	2,038,345	2,038,451
Profit for the year		---	691,423	691,423
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		---	691,423	691,423
Dividends paid and payable	12	---	(675,335)	(675,335)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		---	(675,335)	(675,335)
AT 31 MARCH 2022		106	2,054,433	2,054,539
Profit for the year		---	825,016	825,016
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		---	825,016	825,016
Dividends paid and payable	12	---	(343,422)	(343,422)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		---	(343,422)	(343,422)
AT 31 MARCH 2023		106	2,536,027	2,536,133

R.D.M. Electrical Services Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. GENERAL INFORMATION

R.D.M. Electrical Services Limited is a private company limited by shares incorporated in England & Wales, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are electrical and mechanical installation and maintenance together with building fabric installation and maintenance.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in compliance with FRS102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland.'

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1. The reporting period of these financial statements and its comparative period is 12 months. These financial statements only include the results of the individual entity made up to 31 March 2023. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The company meets its day-to-day working capital requirements through its bank facilities. After making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company's forecasts and projections, taking account reasonably the aforementioned possible changes in trading performance as a result of inflation, show that the company should be able to operate within the level of its current facilities. Therefore the company continues to adopt the going concern basis in preparing its financial statements.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Raven Delta Limited which can be obtained from the registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company. (b) Key management personnel compensation has not been presented for the company.

Government grants

The company receives government grants in respect of furlough claims. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Judgements and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

Stock provision
The company sells electrical supplies. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability.

Impairment of debtors
The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Construction contracts
Recognition of turnover and profit is based on judgements made in respect of the ultimate profitability of a contract. Such judgements are arrived at through the use of estimates in relation to costs and value of work performed to date and to be performed in bringing contracts to completion, including satisfaction of maintenance responsibilities. These estimates are made by reference to recovery of pre-contract costs, surveys of progress against the construction programme, changes in work scope, the contractual terms under which the work is being performed including the recoverability of any unagreed income from variations on the likely outcome of discussions on claims, costs incurred and external certification of the work performed. The company has the appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorization.

Provisions
Estimates are used in determining the value of provisions when recognised. This will be based on historical information, known expectations and reasonable outcomes.

Going concern
The assessment of going concern may include the use of critical judgements in respect of impact of various external factors such as political, economic and social issues. Material uncertainties are considered in this regard.

Research & Development
Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated

Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows: Rendering of services When the outcome of a transaction can be estimated reliably, turnover from electrical and mechanical installation and maintenance together with building fabric installation and maintenance is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to uncertified applications and afterdate sales. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable. Construction contracts When the outcome of a construction contract can be estimated reliably, contract costs and turnover are recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to uncertified applications. Where the outcome cannot be measured reliably, contract costs are recognised as an expense in the period in which they are incurred and contract turnover is recognised to the extent of costs incurred that it is probable will be recoverable. When it is probable that contract costs will exceed the total contract turnover, the expected loss is recognised as an expense immediately, with a corresponding provision. Interest receivable Interest income is recognised using the effective interest method.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

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:

Property Improvements	-	10% per annum of cost
Plant & Machinery	-	20% per annum of cost
Fixtures & Fittings	-	15% per annum of cost
Motor Vehicles	-	25% per annum of cost
Computer Equipment	-	25% per annum of cost

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Stock and work in progress

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. Work in progress on long term contracts is valued at selling price in line with FRS102 and is included as accrued income in debtors. All other work in progress is 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 work in progress to its present location and condition.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

4. TURNOVER

Turnover arises from:

	2023	2022
	£	£
Construction contracts	18,753,687	14,386,234

Included in Debtors are amounts due from construction contracts of £3,719,187 (2022: £2,785,584).

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

5. EXCEPTIONAL ITEM

There are no exceptional items during the year or the comparative.

6. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	9,870	8,506
Loss on disposal of tangible assets	6,666	2,292
Impairment of trade debtors	128,343	—
Operating lease rentals	82,372	92,571

7. AUDITOR'S REMUNERATION

	2023	2022
	£	£
Fees payable for the audit of the financial statements	24,375	16,725

8. STAFF COSTS

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

	2023	2022
	No.	No.
Production staff	157	117

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

	2023	2022
	£	£
Wages and salaries	5,610,030	3,704,766
Social security costs	13,316	11,124
Other pension costs	177,499	262,144
	5,800,845	3,978,034

9. DIRECTORS' REMUNERATION

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

	2023	2022
	£	£
Remuneration	127,844	112,122
Company contributions to defined contribution pension plans	57,740	153,620
	185,584	265,742

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

	2023	2022
	No.	No.
Defined contribution plans	4	4

10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Other interest receivable and similar income	34	108
	----	----

11. TAX ON PROFIT

Major components of tax income

	2023	2022
	£	£
Current tax:		
UK current tax income	—	(39,428)
Adjustments in respect of prior periods	—	(558)
	----	-----
Total current tax	—	(39,986)
	----	-----
	----	-----
Tax on profit	—	(39,986)
	----	-----

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 19 % (2022: 19 %).

	2023	2022
	£	£
Profit on ordinary activities before taxation	825,016	651,437
	-----	-----
Profit on ordinary activities by rate of tax	156,753	123,773
Adjustment to tax charge in respect of prior periods	(1,377)	(558)
Effect of capital allowances and depreciation	(3,890)	1,977
Unused tax losses	(3,505)	51,664
R&D	(147,981)	(216,842)
	-----	-----
Tax on profit	—	(39,986)
	-----	-----

Factors that may affect future tax income

In the Budget 2020, the government announced that the corporation tax main rate (for all profits except ring fence profits) for the years starting 1 April 2020 and 2021 would remain at 19%. In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. In the Autumn Statement in November 2022, the government confirmed the increase in in corporation tax rate to 25% from April 2023 will go ahead. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

12. DIVIDENDS

	2023	2022
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	343,422	675,335
	-----	-----

13. TANGIBLE ASSETS

	Property Improvements	Plant and machinery	Fixtures and fittings	Motor vehicles	Computer Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 Apr 2022	8,577	46,023	4,930	158,290	1,886	219,706
Additions	–	22,720	2,703	–	–	25,423
Disposals	(8,577)	(43,491)	(5,834)	–	(1,886)	(59,788)
	-----	-----	-----	-----	-----	-----
At 31 Mar 2023	–	25,252	1,799	158,290	–	185,341
	-----	-----	-----	-----	-----	-----
Depreciation						
At 1 Apr 2022	8,577	38,915	3,827	155,448	1,886	208,653
Charge for the year	–	7,609	768	1,493	–	9,870
Disposals	(8,577)	(38,334)	(4,325)	–	(1,886)	(53,122)
	-----	-----	-----	-----	-----	-----
At 31 Mar 2023	–	8,190	270	156,941	–	165,401
	-----	-----	-----	-----	-----	-----
Carrying amount						
At 31 Mar 2023	–	17,062	1,529	1,349	–	19,940
	-----	-----	-----	-----	-----	-----
At 31 Mar 2022	–	7,108	1,103	2,842	–	11,053
	-----	-----	-----	-----	-----	-----

14. STOCKS

	2023	2022
	£	£
Raw materials and consumables	287,068	287,068
	-----	-----

15. DEBTORS

	2023	2022
	£	£
Trade debtors	3,719,188	2,785,585
Amounts owed by group undertakings	104,188	122,081
Prepayments and accrued income	230,406	230,406
Corporation tax repayable	40,291	120,742
Directors loan account	8,361	67,205
Other debtors	582,112	505,437
	-----	-----
	4,684,546	3,831,456
	-----	-----

16. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	35,392	–
Trade creditors	1,637,132	1,744,448
Accruals and deferred income	177,130	177,138
Social security and other taxes	256,277	249,138
Other creditors	353,695	320,243
	-----	-----
	2,459,626	2,490,967
	-----	-----

On 10th June 2022 the company & other group companies entered into a financial arrangement with its bank. The bank has registered a fixed and floating charge over the company's assets.

17. FINANCIAL COMMITMENTS

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £263,663 (2022: £87,473).

18. PROVISIONS

	Deferred tax (note 19) £
At 1 April 2022 and 31 March 2023	4,000 -----

19. DEFERRED TAX

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

	2023 £	2022 £
Included in provisions (note 18)	4,000 -----	4,000 -----

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

	2023 £	2022 £
Provisions	4,000 -----	4,000 -----

The expected net reversal of deferred tax assets and liabilities in 2023 is £760. This primarily relates to the reversal of timing differences on capital allowances.

20. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary A shares of £ 1 each	60	60	60	60
Ordinary B shares of £ 1 each	40	40	40	40
Ordinary C shares of £ 1 each	1	1	1	1
Ordinary D shares of £ 1 each	1	1	1	1
Ordinary E shares of £1 each	1	1	1	1
Ordinary F shares of £1 each	1	1	1	1
Ordinary G shares of £1 each	1	1	1	1
Ordinary H shares of £1 each	1	1	1	1
	----	----	----	----
	106	106	106	106
	----	----	----	----

21. RESERVES

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

22. CONTINGENCIES

The company is party to a group cross guarantee in respect of the groups bank borrowings. At the year end the bank borrowings of DRS FM Services Limited covered by the cross guarantee amounted to £25,321. (2022: £15,599).

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The balance owing to the company from the directors as at 31st March 2023 totalled £8,362. (2022: £67,205) Interest has been charged in respect of this balance at 2.25%.

24. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions with related parties as follows: Other related parties

	2023	2022
	£	£
Total balance owing (to)/from related parties	341,155	357,128
	2023	2022
	£	£
Rent charged by related parties	41,161	36,866

No interest has been charged in respect of these balances.

25. CONTROLLING PARTY

There is no ultimate controlling party.

26. PARENT UNDERTAKINGS

The ultimate parent company is Raven Delta Limited, a company registered in Great Britain. The registered office of Raven Delta Limited is Unit 6 Cambrian Court, Swansea Enterprise Park, Swansea, United Kingdom, SA6 8PZ.

The accounts for the company are also included in the group accounts of the parent named above and these accounts can be obtained from the registered office.

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