REGISTERED NUMBER: 00229334 (England and Wales)

GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

FOR

WILLIAM FREER LIMITED

Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2018

COMPANY INFORMATION
for the year ended 31 December 2018

DIRECTORS:	Mr R W Freer Mr M J Whitehead
SECRETARY:	Mr R W Freer
REGISTERED OFFICE:	360 Melton Road Leicester LE4 7SL
REGISTERED NUMBER:	00229334 (England and Wales)
AUDITORS:	Magma Audit LLP Chartered Accountants Statutory Auditor Unit 2, Charnwood Edge Business Park Syston Road Leicestershire LE7 4UZ

GROUP STRATEGIC REPORT
for the year ended 31 December 2018

The directors present their strategic report of the company and the group for the year ended 31 December 2018.

REVIEW OF BUSINESS
William Freer Limited:
The company provides a flexible maintenance and reactive repairs service in areas of complimenting trades. The organisation positions itself between the low cost but limited resourced small trader and the inflexible national organisations offering the advantages of both.

Duplus Architectural Systems Limited:
The Company produce glazing for contractors and developers working in the construction industry. The process involves the design and manufacture of either third party or in house systems which are installed on site. Work is generally performed under standard construction industry contracts. The company has a competitive edge in this area bought about by its in house design and production of its curtain walling system combined with the flexibility of using third party systems where appropriate.

The down turn in demand experienced in 2017 continued into 2018 resulting in very difficult trading. As a result in June the company re aligned itself to target larger projects. This re alignment was successful as the Company placed itself in a less competitive sector of the market. The organisation was able to return to profitability in the fourth quarter and enter 2019 with a record order book.

The Company continues to use its infrastructure and expertise to produce ancillary products such as its domestic rooflight range as security against variations of contract demand.

OBJECTIVES
William Freer Limited:
The company aims to increase business in the commercial, educational and public sector non housing market.

The Company aims to increase revenues per engineer. The Company aims to maximise the ratio of operational to administrative staff.

Duplus Architectural Systems Limited:
It is the aim of the Company to position itself as a provider of glazing solutions to large projects.

The Company aim to use the realignment to increase productivity in areas of contract supervision and project design.

The Company aims to increase the volume and range of its ancillary products.

The Company intends to continue with investment in technologies which enable it to increase the productivity of its work force.

STRATEGY
William Freer Limited:
The Company is working to offer an increasing range of service with the introduction of an in house installations division to enable growth within the current customer base.

To continue exploit the changes in the structure of Government funding of education through online and direct marketing to increase the size of the customer base.

To provide a flexible and inclusive service to target customers reducing there in house administrative costs.

Duplus Architectural Systems Limited:
The core of the Company's business will continue to be its contracting operations. The organisation will work to continually improve the quality of the product and the efficiency of its delivery through a process of ongoing development

and investment.
The Company aims to develop products ancillary to its core operations which create synergies and the opportunity to
increase profitability and reduce risk.
The Company aims to grow its turnover at a restricted rate in order to maintain the quality of its product and reduce its
exposure to future declines in demand.

GROUP STRATEGIC REPORT
for the year ended 31 December 2018

PRINCIPAL RISKS AND UNCERTAINTIES
Brexit Considerations
The Company has performed a study on potential effects of Brexit and determined that there are likely to be limited
aspects that will affect the group that can be controlled by the organisation.

The primary concern is the lack of confidence in the economy as a whole and the resulting lack of investment.

This is a factor in the decision by Duplus Architectural to limit its rate of growth.

William Freer Limited:
The continued shortage of skilled labour in the industry is the largest driver of increased costs for the Company.
The tightening of state sector budgets continues to place pricing pressures on any Government funded work.

Duplus Architectural Systems Limited:
The skill shortage in the industry continues to be the primary driver of increased costs. This situation has worsened
through the year with the Company finding it difficult to recruit skilled personnel in all areas of the business. We continue
to attempt to mitigate this via a programme of continual in house training and the use of technology to increase
productivity.

PERFORMANCE
William Freer Limited:
The increase in business levels experienced in the fourth quarter of 2017 continued throughout 2018 and the Company
was able to secure and retain a number of significant contracts.

The property division of the Company continues to operate profitably with full occupation of its investment properties.

Duplus Architectural Systems Limited:
The difficult trading of the fourth quarter of 2017 continued and worsened into 2018. The Company further reduced
margins but found it difficult to secure work. A strategic review was carried out resulting in the Company targeting larger
projects which could not be completed by smaller organisations. The realignment has been a success with the Company
returning to profitability in the fourth quarter.

The targeting of larger project had a significant effect on cash. The group required an overdraft in the latter part of 2018
however have been able to return to a cash positive situation in the second quarter of 2019.

KEY PERFORMANCE INDICATORS
William Freer Limited

	2018	**2017**
Cash	£85,994	£75,997
Profit	£363,704	£70,076
Sales per employee	£58,260	£40,237

Duplus Architectural Systems Limited

	2018	**2017**
Cash	£36,648	£769,184
(Loss)/Profit	(£137,310)	£750,793
Sales per employee	£105,524	£165,971

ON BEHALF OF THE BOARD:

Mr R W Freer - Director

18 July 2019

DIRECTORS' REPORT
for the year ended 31 December 2018

The directors present their report with the financial statements of the company and the group for the year ended
31 December 2018.

PRINCIPAL ACTIVITIES
William Freer Limited:
The principal activities of William Freer Limited continue to be the provision of reactive and planned maintenance within
the heating, catering, air conditioning, electrical and refrigeration industry and the installation of associated products.

Duplus Architectural Systems Limited:
The principal activities of the company during the year were the design, manufacture and installation of aluminium
glazed roof structures, curtain walling, windows, doors and roof lights.

The company operates throughout the United Kingdom.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2018.

Preference dividends of £699 were paid. The directors do not recommend payment of a final dividend.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

Mr R W Freer
Mr M J Whitehead

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the 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 group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the
company and the group 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 the group and hence for taking reasonable
steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act
2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken
as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors
are aware of that information.

AUDITORS
The auditors, Magma Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr R W Freer - Director

18 July 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLIAM FREER LIMITED

Opinion

We have audited the financial statements of William Freer Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 Financial Reporting Standard 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 group's and of the parent company affairs as at 31 December 2018 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' 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.

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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

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 Auditors' 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.

Luke Turner ACA FCCA (Senior Statutory Auditor)
for and on behalf of Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

29 July 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2018

	Notes	2018 £	2017 £
TURNOVER	4	**7,860,238**	10,268,262
Cost of sales		**(5,344,880)**	(6,922,396)
GROSS PROFIT		**2,515,358**	3,345,866
Distribution costs		**26**	(73,346)
Administrative expenses		**(2,729,013)**	(2,670,255)
		(213,629)	602,265
Other operating income	5	**174,756**	166,834
OPERATING (LOSS)/PROFIT	7	**(38,873)**	769,099
Interest receivable and similar income		**30**	22,195
		(38,843)	791,294
Fair value gains and losses on investment properties		**265,936**	-
		227,093	791,294
Interest payable and similar expenses	8	**(699)**	(425)
PROFIT BEFORE TAXATION		**226,394**	790,869
Tax on profit	9	**(26,445)**	(82,764)
PROFIT FOR THE FINANCIAL YEAR		**199,949**	708,105
OTHER COMPREHENSIVE INCOME			
Share buy back		**(49,884)**	(49,570)
Income tax relating to other comprehensive income		**-**	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**(49,884)**	(49,570)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**150,065**	658,535
Profit attributable to:			
Owners of the parent		**199,949**	708,105
Total comprehensive income attributable to:			
Owners of the parent		**150,065**	658,535

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 December 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Tangible assets	12		**416,832**		386,240
Investments	13		**-**		-
Investment property	14		**4,555,018**		4,289,082
			4,971,850		4,675,322
CURRENT ASSETS					
Stocks	15	**684,810**		480,191	
Debtors	16	**3,275,537**		2,729,891	
Cash at bank and in hand		**122,642**		845,181	
		4,082,989		4,055,263	
CREDITORS					
Amounts falling due within one year	17	**1,409,555**		1,259,686	
NET CURRENT ASSETS			**2,673,434**		2,795,577
TOTAL ASSETS LESS CURRENT LIABILITIES			**7,645,284**		7,470,899
CREDITORS					
Amounts falling due after more than one year	18		**(9,991)**		(10,625)
PROVISIONS FOR LIABILITIES	22		**(361,273)**		(334,577)
NET ASSETS			**7,274,020**		7,125,697
CAPITAL AND RESERVES					
Called up share capital	23		**53,633**		55,375
Share premium	24		**1,131,756**		1,131,756
Capital redemption reserve	24		**29,124**		26,748
Other reserves	24		**2,864,649**		2,598,713
Retained earnings	24		**3,194,858**		3,313,105
SHAREHOLDERS' FUNDS			**7,274,020**		7,125,697

The financial statements were approved by the Board of Directors on 18 July 2019 and were signed on its behalf by:

Mr R W Freer - Director

Mr M J Whitehead - Director

COMPANY BALANCE SHEET
31 December 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Tangible assets	12		**255,439**		192,025
Investments	13		**816,132**		816,132
Investment property	14		**4,220,018**		3,952,082
			5,291,589		4,960,239
CURRENT ASSETS					
Stocks	15	**400,838**		232,952	
Debtors	16	**710,106**		640,795	
Cash at bank and in hand		**85,994**		75,997	
		1,196,938		949,744	
CREDITORS					
Amounts falling due within one year	17	**497,042**		230,193	
NET CURRENT ASSETS			**699,896**		719,551
TOTAL ASSETS LESS CURRENT LIABILITIES			**5,991,485**		5,679,790
CREDITORS					
Amounts falling due after more than one year	18		**(9,991)**		(10,625)
PROVISIONS FOR LIABILITIES	22		**(342,253)**		(312,132)
NET ASSETS			**5,639,241**		5,357,033
CAPITAL AND RESERVES					
Called up share capital	23		**53,633**		55,375
Share premium			**1,131,756**		1,131,756
Capital redemption reserve			**29,124**		26,748
Other reserves			**2,729,871**		2,461,935
Retained earnings			**1,694,857**		1,681,219
SHAREHOLDERS' FUNDS			**5,639,241**		5,357,033
Company's profit for the financial year			**333,834**		141,240

The financial statements were approved by the Board of Directors on 18 July 2019 and were signed on its behalf by:

Mr R W Freer - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2017	57,116	2,687,260	1,131,756
Changes in equity			
Profit for the year	-	708,105	-
Other comprehensive income	-	(49,570)	-
Total comprehensive income	-	658,535	-
Dividends	-	(30,000)	-
Reduction in share capital	(1,741)	(2,690)	-
Balance at 31 December 2017	55,375	3,313,105	1,131,756
Changes in equity			
Profit for the year	-	199,949	-
Other comprehensive income	-	(49,884)	-
Total comprehensive income	-	150,065	-
Reduction in share capital	(1,742)	(2,376)	-
Fair value gains on investment property	-	(265,936)	-
Balance at 31 December 2018	53,633	3,194,858	1,131,756

	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 January 2017	24,058	2,598,713	6,498,903
Changes in equity			
Profit for the year	-	-	708,105
Other comprehensive income	-	-	(49,570)
Total comprehensive income	-	-	658,535
Dividends	-	-	(30,000)
Reduction in share capital	2,690	-	(1,741)
Balance at 31 December 2017	26,748	2,598,713	7,125,697
Changes in equity			
Profit for the year	-	-	199,949
Other comprehensive income	-	-	(49,884)
Total comprehensive income	-	-	150,065
Reduction in share capital	2,376	-	(1,742)
Fair value gains on investment property	-	265,936	-
Balance at 31 December 2018	29,124	2,864,649	7,274,020

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2017	57,116	1,622,239	1,131,756
Changes in equity			
Profit for the year	-	141,240	-
Other comprehensive income	-	(49,570)	-
Total comprehensive income	-	91,670	-
Dividends	-	(30,000)	-
Reduction in share capital	(1,741)	(2,690)	-
Balance at 31 December 2017	55,375	1,681,219	1,131,756
Changes in equity			
Profit for the year	-	333,834	-
Other comprehensive income	-	(49,884)	-
Total comprehensive income	-	283,950	-
Reduction in share capital	(1,742)	(2,376)	-
Fair value gains on investment property	-	(267,936)	-
Balance at 31 December 2018	53,633	1,694,857	1,131,756

	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 January 2017	24,058	2,461,935	5,297,104
Changes in equity			
Profit for the year	-	-	141,240
Other comprehensive income	-	-	(49,570)
Total comprehensive income	-	-	91,670
Dividends	-	-	(30,000)
Reduction in share capital	2,690	-	(1,741)
Balance at 31 December 2017	26,748	2,461,935	5,357,033
Changes in equity			
Profit for the year	-	-	333,834
Other comprehensive income	-	-	(49,884)
Total comprehensive income	-	-	283,950
Reduction in share capital	2,376	-	(1,742)
Fair value gains on investment property	-	267,936	-
Balance at 31 December 2018	29,124	2,729,871	5,639,241

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	**(316,850)**	351,798
Finance costs paid		**(699)**	(425)
Tax paid		**(154,462)**	(146,467)
Net cash from operating activities		**(472,011)**	204,906
Cash flows from investing activities			
Purchase of tangible fixed assets		**(223,882)**	(260,760)
Sale of tangible fixed assets		**25,584**	27,465
Interest received		**30**	22,195
Net cash from investing activities		**(198,268)**	(211,100)
Cash flows from financing activities			
Share buyback		**(52,260)**	(52,260)
Equity dividends paid		**-**	(30,000)
Net cash from financing activities		**(52,260)**	(82,260)
Decrease in cash and cash equivalents		**(722,539)**	(88,454)
Cash and cash equivalents at beginning of year	2	**845,181**	933,635
Cash and cash equivalents at end of year	2	**122,642**	845,181

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

1. **RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS**

	2018	2017
	£	£
Profit for the financial year	199,949	708,105
Depreciation charges	182,340	168,857
Profit on disposal of fixed assets	(14,634)	(24,667)
Gain on revaluation of fixed assets	(265,936)	-
Finance costs	699	425
Finance income	(30)	(22,195)
Taxation	26,445	82,764
	128,833	913,289
Increase in stocks	(204,619)	(89,948)
Increase in trade and other debtors	(479,555)	(251,488)
Increase/(decrease) in trade and other creditors	238,491	(220,055)
Cash generated from operations	**(316,850)**	351,798

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of
these Balance Sheet amounts:

Year ended 31 December 2018

	31/12/18	1/1/18
	£	£
Cash and cash equivalents	122,642	845,181

Year ended 31 December 2017

	31/12/17	1/1/17
	£	£
Cash and cash equivalents	845,181	933,635

1. **STATUTORY INFORMATION**

William Freer Limited is a group, registered in England and Wales. Its registered office address is 360 Melton Road, Leicester, LE4 7SL and the registered number is 00229334.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

The group has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Basis of consolidation
In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of William Freer Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 December 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Turnover
Turnover represents amounts receivable for goods supplied and services rendered, net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated , revenue is recognised only to the extent that expenses recognised are recoverable.

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 long-term contracts and contracts for on-going services is recognised by reference to the stage of completion. continued...

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	-	20% straight line
Plant, equipment and tools	-	25% straight line, 20% straight line and 10% straight line
Fixtures and fittings	-	20% straight line and 10% straight line
Motor vehicles	-	50% straight line and 25% straight line

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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 recognised in the profit and loss account.

Fixed asset investments
In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents
Cash and cash equivalents 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.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset , with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

(ii) Financial liabilities
Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments
Equity instruments issued by the group are recorded at 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 group.

Taxation
The tax expense for the year comprises current and deferred tax.

Tax is recognised in profit or loss except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:
- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Both current and deferred tax is determined using tax rates and laws that have been enacted or substantively
enacted by the balance sheet date. continued...

2. **ACCOUNTING POLICIES - continued**

Operating leases
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.
Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Pension costs and other post-retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

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.

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

continued...

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

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 reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The annual amortisation charge for capital grants directly reflects the depreciation charge of such assets. See note 12 for the carrying amount of the property plant and equipment, and note 2 for the useful economic lives for each class of assets.

Fair value of investment properties
The fair value of the Investment properties is sensitive to the changes in the current rental market and the economic climate of the surrounding area. In the opinion of the directors, fair value can be measured reliably by the directors and seeking an external professional valuation would incur significant undue costs.

Work in progress
The group uses the percentage of completion method to account for its revenue on work in progress stock.

Significant assumptions are required to estimate the total costs and the recoverable variation works that will affect the stage of completion and the revenue respectively.

4. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	2018	2017
	£	£
Installations and servicing	**2,373,008**	1,637,784
Roof lights & curtain walling	**5,487,230**	8,630,478
	7,860,238	10,268,262

5. OTHER OPERATING INCOME

	2018	2017
	£	£
Rents received	**229,783**	189,059
Rent receivable - directors remuneration	**(7,000)**	(7,000)
Rent receivable - other expenses	**(48,027)**	(15,225)
	174,756	166,834

continued...

6. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	**2,747,484**	2,570,907
Social security costs	**283,805**	268,479
Other pension costs	**75,381**	99,333
	3,106,670	2,938,719

The average number of employees during the year was as follows:

	2018	2017
Production staff	**54**	53
Administrative staff	**32**	30
Management staff	**9**	10
	95	93

The average number of employees by undertakings that were proportionately consolidated during the year was
52 (2017 - 52) .

	2018	2017
	£	£
Directors' remuneration	**261,075**	249,290
Directors' pension contributions to money purchase schemes	**5,044**	41,523

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	**2**	2

Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	**100,262**	109,964

7. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	**-**	1,900
Other operating leases	**27,200**	25,288
Depreciation - owned assets	**182,340**	168,857
Profit on disposal of fixed assets	**(14,634)**	(24,667)
Cost of stocks recognised as an expense	**3,890,227**	5,476,292
Fees payable to the company's auditor for the audit of the company's financial statements	**10,200**	10,200
Fees payable to the company's auditor for the audit of the subsidiary's financial statements	**10,000**	10,000

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Preference dividend	**699**	425

continued...

9. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	-	154,713
Adjustment to prior years	(251)	-
Total current tax	(251)	154,713
Deferred tax	26,696	(71,949)
Tax on profit	26,445	82,764

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is
explained below:

	2018	2017
	£	£
Profit before tax	226,394	790,869
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2017 - 19.250 %)	43,015	152,242
Effects of:		
Expenses not deductible for tax purposes	3,163	2,937
Capital allowances in excess of depreciation	(11,806)	(3,020)
Adjustments to tax charge in respect of previous periods	(251)	-
Effect of revaluations	(50,528)	-
Change in unrecognised deferred tax assets	26,696	(71,949)
Profit on disposal of fixed assets	(2,286)	(4,748)
Movement in provisions	(6,608)	7,302
Group relief	25,050	-
Total tax charge	26,445	82,764

Tax effects relating to effects of other comprehensive income

		2018	
	Gross	Tax	Net
	£	£	£
Share buy back	(49,884)	-	(49,884)

		2017	
	Gross	Tax	Net
	£	£	£
Share buy back	(49,570)	-	(49,570)

10. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent
company is not presented as part of these financial statements.

continued...

11. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each		
Interim	-	30,000

12. TANGIBLE FIXED ASSETS

Group

	Long leasehold property £	Plant, equipment and tools £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2018	156,133	730,834	319,458	587,206	1,793,631
Additions	11,125	9,459	88,125	115,173	223,882
Disposals	-	-	(183)	(81,019)	(81,202)
At 31 December 2018	167,258	740,293	407,400	621,360	1,936,311
DEPRECIATION					
At 1 January 2018	127,511	593,503	258,805	427,572	1,407,391
Charge for year	9,789	37,457	39,867	95,227	182,340
Eliminated on disposal	-	-	(183)	(70,069)	(70,252)
At 31 December 2018	137,300	630,960	298,489	452,730	1,519,479
NET BOOK VALUE					
At 31 December 2018	29,958	109,333	108,911	168,630	416,832
At 31 December 2017	28,622	137,331	60,653	159,634	386,240

Company

	Long leasehold property £	Plant, equipment and tools £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2018	35,436	44,405	157,295	587,206	824,342
Additions	-	-	87,025	115,173	202,198
Disposals	-	-	(183)	(81,019)	(81,202)
At 31 December 2018	35,436	44,405	244,137	621,360	945,338
DEPRECIATION					
At 1 January 2018	33,803	42,778	128,164	427,572	632,317
Charge for year	817	1,010	30,780	95,227	127,834
Eliminated on disposal	-	-	(183)	(70,069)	(70,252)
At 31 December 2018	34,620	43,788	158,761	452,730	689,899
NET BOOK VALUE					
At 31 December 2018	816	617	85,376	168,630	255,439
At 31 December 2017	1,633	1,627	29,131	159,634	192,025

continued...

13. FIXED ASSET INVESTMENTS

Company

	Investment in subsidiaries £
COST	
At 1 January 2018 and 31 December 2018	**816,132**
NET BOOK VALUE	
At 31 December 2018	**816,132**
At 31 December 2017	816,132

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Duplus Architectural Systems Limited
Registered office: 370 Melton Road, Leicester, LE4 7SL, England and Wales
Nature of business: Roof lights, curtain walling, windows & doors

Class of shares:	% holding
Ordinary	100.00

	2018 £	2017 £
Aggregate capital and reserves	**2,450,911**	2,584,796
(Loss)/profit for the year	**(133,885)**	596,865

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 January 2018	**4,289,082**
Revaluations	**265,936**
At 31 December 2018	**4,555,018**
NET BOOK VALUE	
At 31 December 2018	**4,555,018**
At 31 December 2017	4,289,082

continued...

14. INVESTMENT PROPERTY - continued

Group

Fair value at 31 December 2018 is represented by:

	£
Valuation in 1990	**188,288**
Valuation in 2000	**(135,000)**
Valuation in 2003	**40,000**
Valuation in 2007	**92,000**
Valuation in 2014	**2,417,417**
Valuation in 2015	**336,500**
Valuation in 2016	**88,518**
Valuation in 2018	**265,936**
Cost	**1,261,359**
	4,555,018

Company

	Total £
FAIR VALUE	
At 1 January 2018	**3,952,082**
Revaluations	**267,936**
At 31 December 2018	**4,220,018**
NET BOOK VALUE	
At 31 December 2018	**4,220,018**
At 31 December 2017	3,952,082

Investment property comprises of residential and commercial properties. The fair value of the investment property has been arrived at using the directors valuation and estate agents rental multiplier, who review the property values on an annual basis, making adjustments to them to reflect changes in economic conditions and improvements to them. In the current year there have been no changes to method of valuation of the investment properties.

Fair value at 31 December 2018 is represented by:

	£
Valuation in 2014	**2,417,417**
Valuation in 2015	**336,500**
Valuation in 2016	**88,518**
Valuation in 2018	**267,936**
Cost	**1,109,647**
	4,220,018

15. STOCKS

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Raw materials and consumables	**274,374**	260,527	**8,523**	21,666
Work-in-progress	**410,436**	219,664	**392,315**	211,286
	684,810	480,191	**400,838**	232,952

continued...

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Trade debtors	**696,879**	479,665	**643,384**	361,243
Amounts owed by group undertakings	**-**	-	**-**	166,993
Amounts recoverable on contract	**2,413,619**	1,921,007	**-**	-
Other debtors	**1,848**	180,283	**468**	776
VAT	**66,091**	-	**-**	-
Prepayments	**97,100**	148,936	**66,254**	111,783
	3,275,537	2,729,891	**710,106**	640,795

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Trade creditors	**1,150,268**	491,809	**193,399**	90,156
Amounts owed to group undertakings	**-**	-	**101,018**	-
Tax	**-**	154,713	**-**	5,309
Social security and other taxes	**84,434**	84,444	**42,619**	36,457
VAT	**-**	229,620	**67,269**	23,936
Other creditors	**30,645**	37,822	**22,728**	30,170
Accruals and deferred income	**144,208**	261,278	**70,009**	44,165
	1,409,555	1,259,686	**497,042**	230,193

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Preference shares (see note 19)	**9,991**	10,625	**9,991**	10,625

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2018	2017	**2018**	2017
	£	£	**£**	£
Amounts falling due between one and two years:				
Preference shares	**9,991**	10,625	**9,991**	10,625

The company has in issue 9,991 (2017 - 10,625) 6% redeemable cumulative preference shares of £1 each,
classified as liabilities. These maybe redeemed in whole or part at any time by the directors out of undistributed
profits on giving six months notice in writing to the members.

continued...

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Lessee

Operating lease payments represent rentals payable by the group for certain of its properties. Leases are
negotiated for 10 years.

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	160,000	160,000	-	-
Between one and five years	705,000	675,000	-	-
In more than five years	745,000	935,000	-	-
Total	1,610,000	1,770,000	-	-

Lessor

The operating leases represent leases to third parties on the rental of commercial and residential properties. The
leases are negotiated over terms of 3-20 years.

At the reporting end date the group had contracted with tenants for the following minimum lease payments under
non-cancellable operating leases as follows:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	221,142	183,350	192,600	154,100
Between one and five years	320,662	425,412	272,142	319,558
In more than five years	-	210,750	-	199,750
Total	541,804	819,512	464,742	673,408

21. FINANCIAL INSTRUMENTS

	Group		**Company**	
	2018	2017	**2018**	2017
	£	£	**£**	£
Carrying amount of financial assets at amortised cost	821,369	1,505,129	729,846	605,009
Total financial liabilities measured at amortised cost	1,335,112	801,534	368,436	175,116

22. PROVISIONS FOR LIABILITIES

	Group		**Company**	
	2018	2017	**2018**	2017
	£	£	**£**	£
Deferred tax	**361,273**	334,577	**342,253**	312,132

 continued...

22. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 January 2018	**334,577**
Provided during year	**26,696**
Balance at 31 December 2018	**361,273**

Company

	Deferred tax £
Balance at 1 January 2018	**312,132**
Provided during year	**30,121**
Balance at 31 December 2018	**342,253**

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2018** £	2017 £
55,375	Ordinary	£1	**53,633**	55,375

The company has one class of ordinary shares which carry no right to fixed income.

24. RESERVES

Group and Company

Share premium account - This reserve records the amount above the nominal value received or shares sold less transaction costs.

Other reserve - This reserve is non-distributable arising on the revaluation of the company's investment properties.

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

Profit and loss reserves - This represents accumulated comprehensive income for the year and prior periods less dividends paid.

25. PENSION COMMITMENTS

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions totalling £75,381 (2017 - £99,333) were paid in the the year in respect of the defined contribution scheme. As at 31 December 2018 £11,725 (2017 - £7,695) was due to the scheme.

26. RELATED PARTY DISCLOSURES

Dividends totalling £Nil (2017 - £15,925) were paid in the year in respect of shares held by the company's director's.

During the year, a total of key management personnel compensation of £ 286,521 (2017 - £ 278,302) was paid.

continued...

27. **ULTIMATE CONTROLLING PARTY**

The company is controlled by Mr R W Freer, a director throughout the current and previous year. Mr R W Freer
owns 53% of the company's ordinary share capital.