

# Underwood & Company Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2022

Ballards LLP  
Chartered Accountants  
Oakmoore Court  
11C Kingswood Road  
Hampton Lovett  
Droitwich  
Worcestershire  
WR9 0QH

# Underwood & Company Limited

## Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>8</u>

# **Underwood & Company Limited**

## **Company Information**

<b>Directors</b>	Mr A W Underwood Mr M C Underwood
<b>Registered office</b>	The Steel Centre Wainwright Road Worcester WR4 9FA
<b>Accountants</b>	Ballards LLP Chartered Accountants Oakmoore Court 11C Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

**Underwood & Company Limited**  
**(Registration number: 00046450)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	4,287,211	4,292,440
Investments		500,350	500,350
		<u>4,787,561</u>	<u>4,792,790</u>
<b>Current assets</b>			
Debtors	<u>5</u>	217,822	169,022
Cash at bank and in hand		304,906	180,450
		522,728	349,472
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	(855,747)	(789,678)
<b>Net current liabilities</b>		(333,019)	(440,206)
<b>Total assets less current liabilities</b>		4,454,542	4,352,584
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	(1,511,668)	(1,654,932)
<b>Net assets</b>		<u>2,942,874</u>	<u>2,697,652</u>
<b>Capital and reserves</b>			
Called up share capital		6,967	6,967
Capital redemption reserve		10,000	10,000
Revaluation reserve		212,324	212,324
Other reserves		2,250	2,250
Retained earnings		2,711,333	2,466,111
Shareholders' funds		<u>2,942,874</u>	<u>2,697,652</u>

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

**Underwood & Company Limited**  
**(Registration number: 00046450)**  
**Balance Sheet as at 31 December 2022**

Approved and authorised by the Board on 3 August 2023 and signed on its behalf by:

.....  
Mr A W Underwood  
Director

.....  
Mr M C Underwood  
Director

# **Underwood & Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:  
The Steel Centre  
Wainwright Road  
Worcester  
WR4 9FA

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	not provided

## **Underwood & Company Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **Underwood & Company Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 4 (2021 - 4).



# Underwood & Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

### 4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	4,240,597	5,644	132,405	4,378,646
Disposals	-	-	(37,292)	(37,292)
At 31 December 2022	4,240,597	5,644	95,113	4,341,354
<b>Depreciation</b>				
At 1 January 2022	-	5,644	80,562	86,206
Charge for the year	-	-	5,228	5,228
Eliminated on disposal	-	-	(37,291)	(37,291)
At 31 December 2022	-	5,644	48,499	54,143
<b>Carrying amount</b>				
At 31 December 2022	4,240,597	-	46,614	4,287,211
At 31 December 2021	4,240,597	-	51,843	4,292,440

Included within the net book value of land and buildings above is £4,240,597 (2021 - £4,240,597) in respect of freehold land and buildings.

### 5 Debtors

	2022 £	2021 £
<b>Current</b>		
Trade debtors	9,870	11,445
Other debtors	207,952	157,577
	217,822	169,022

# Underwood & Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

### 6 Creditors

	Note	2022 £	2021 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>7</u>	160,326	133,687
Trade creditors		918	777
Amounts owed to related parties		564,854	531,409
Taxation and social security		70	1,510
Other creditors		129,579	122,295
		<u>855,747</u>	<u>789,678</u>
<b>Due after one year</b>			
Loans and borrowings	<u>7</u>	<u>1,511,668</u>	<u>1,654,932</u>

### 7 Loans and borrowings

	2022 £	2021 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	1,508,979	1,644,683
Hire purchase contracts	-	7,560
Redeemable preference shares	2,689	2,689
	<u>1,511,668</u>	<u>1,654,932</u>

	2022 £	2021 £
<b>Current loans and borrowings</b>		
Bank borrowings	152,766	126,072
Hire purchase contracts	7,560	7,615
	<u>160,326</u>	<u>133,687</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.