

Company Registration No. 00362615 (England and Wales)

W.R.R.PEDLEY & CO LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022
PAGES FOR FILING WITH REGISTRAR

W.R.R.PEDLEY & CO LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 9

W.R.R.PEDLEY & CO LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

		2022	2021
	Notes	£	as restated £
Fixed assets			
Tangible assets	4	1,906,979	1,787,868
Current assets			
Stocks		1,000,745	599,281
Debtors	5	3,236,933	3,203,107
Cash at bank and in hand		16,810	7,287
		<u>4,254,488</u>	<u>3,809,675</u>
Creditors: amounts falling due within one year	6	<u>(2,546,058)</u>	<u>(2,203,635)</u>
Net current assets		<u>1,708,430</u>	<u>1,606,040</u>
Total assets less current liabilities		<u>3,615,409</u>	<u>3,393,908</u>
Creditors: amounts falling due after more than one year	7	(149,249)	(139,382)
Provisions for liabilities		<u>(349,031)</u>	<u>(242,711)</u>
Net assets		<u><u>3,117,129</u></u>	<u><u>3,011,815</u></u>
Capital and reserves			
Called up share capital		100,000	100,000
Capital redemption reserve		21,950	21,950
Profit and loss reserves		<u>2,995,179</u>	<u>2,889,865</u>
Total equity		<u><u>3,117,129</u></u>	<u><u>3,011,815</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

W.R.R.PEDLEY & CO LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2022

The financial statements were approved by the board of directors and authorised for issue on 23 February 2023 and are signed on its behalf by:

Mr C M Carver
Director

Company Registration No. 00362615

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

W.R.R.Pedley & Co Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ann Street, Willenhall, West Midlands, United Kingdom, WV13 1EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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 contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

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

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% per annum on cost
Plant and equipment	10%, 20% and 33% per annum on cost dependant on classification of item
Fixtures and fittings	10% per annum on cost
Motor vehicles	20% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 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.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

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

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

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

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 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.

3 Employees

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

	2022 Number	2021 Number
Total	78	79

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 June 2021	811,307	4,070,140	4,881,447
Additions	24,556	403,761	428,317
Disposals	-	(123,729)	(123,729)
At 31 May 2022	835,863	4,350,172	5,186,035
Depreciation and impairment			
At 1 June 2021	382,309	2,711,270	3,093,579
Depreciation charged in the year	16,036	292,593	308,629
Eliminated in respect of disposals	-	(123,152)	(123,152)
At 31 May 2022	398,345	2,880,711	3,279,056
Carrying amount			
At 31 May 2022	437,518	1,469,461	1,906,979
At 31 May 2021	428,998	1,358,870	1,787,868

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	2,309,671	1,842,094
Corporation tax recoverable	-	26,709
Amounts owed by group undertakings	848,319	1,148,319
Other debtors	78,943	185,985
	3,236,933	3,203,107

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	1,108,641	791,765
Trade creditors	1,010,418	979,326
Amounts owed to group undertakings	102,265	147,333
Corporation tax	113,814	40,285
Other taxation and social security	80,269	75,719
Other creditors	130,651	169,207
	<u>2,546,058</u>	<u>2,203,635</u>

The bank overdraft is secured by an unlimited multilateral guarantee given by the company and its subsidiaries and a debenture including a fixed charge over all present and future freehold and leasehold property and a first fixed charge over book debts.

Obligations in respect of hire purchase contracts due in less than one year totalling £31,891 are secured over the assets to which it relates.

7 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	41,758	-
Other creditors	107,491	139,382
	<u>149,249</u>	<u>139,382</u>

Included in other creditors, due after more than one year are 40,000 redeemable preference shares of £1 each which were renewed for an additional 10 years from 1 August 2017. The shares are redeemable at par on or before 1 August 2027. Shareholders are entitled to receive dividends at 50% per annum on the par value of these shares on a cumulative basis. The preference shares carry no voting rights and rank in priority to the ordinary shares for repayment in the event of the company being wound up.

Obligations in respect of hire purchase contracts due after more than one year totalling £67,491 are secured over the assets to which it relates.

8 Operating lease commitments

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

2022 £	2021 £
<u>20,496</u>	<u>20,496</u>

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

9 Related party transactions

During the year the following amounts were accrued in respect of goods and services provided at normal commercial rates, to companies commonly owned by the directors.

Hallen Engineering Limited

The value of purchases from Hallen Engineering Limited during the year amounted to £1,174 (2021: £8,136). The value of sales to Hallen Engineering Limited during the year amounted to £99,341 (2021: £74,509).

The amount due from W.R.R. Pedley Limited at 31 May 2022 was £101,265 (2021: £146,333).

C&F Group Holdings Limited

The amount due to C&F Group Holdings Limited at 31 May 2022 was £848,319 (2021: £1,148,319).

10 Parent Company

The ultimate parent company and largest and smallest group in which the results of the company are consolidated is that of which headed by C&F Group Holdings Limited, which was incorporated in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from the company's registered office.

There is no ultimate controlling party, as no single party holds a controlling share in the Company.

11 Prior period adjustment

Changes to the balance sheet

	As previously reported £	Adjustment £	As restated at 31 May 2021 £
Current assets			
Stocks	804,017	(204,736)	599,281
	<u> </u>	<u> </u>	<u> </u>
Capital and reserves			
Profit and loss reserves	3,094,601	(204,736)	2,889,865
	<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

	As previously reported £	Adjustment £	As restated £
Period ended 31 May 2021			
Cost of sales	(3,500,974)	(204,736)	(3,705,710)
Profit for the financial period	299,787	(204,736)	95,051
	<u> </u>	<u> </u>	<u> </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.