

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

28 FEBRUARY 2021

ALLEN (FENCING) LIMITED

MENZIES

ALLEN (FENCING) LIMITED

COMPANY INFORMATION

Directors	P. R. Cope M. R. Jones T. I. Jones G. V. Pinks
Registered number	00489740
Registered office	Birch Walk West Byfleet Weybridge Surrey KT14 6EJ
Independent auditors	Menzies LLP Chartered Accountants Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY

ALLEN (FENCING) LIMITED

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ALLEN (FENCING) LIMITED

REGISTERED NUMBER:00489740

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	91,537	136,811
		<u>91,537</u>	<u>136,811</u>
Current assets			
Stocks		41,008	67,610
Debtors: amounts falling due within one year	6	2,629,102	1,900,069
Bank and cash balances		955,009	260,076
		<u>3,625,119</u>	<u>2,235,755</u>
Creditors: amounts falling due within one year	7	(3,212,444)	(1,983,212)
Net current assets		<u>412,675</u>	<u>252,543</u>
Total assets less current liabilities		<u>504,212</u>	<u>389,354</u>
Creditors: amounts falling due after more than one year	8	(36,443)	(46,569)
Provisions for liabilities			
Deferred tax		-	(974)
		<u>-</u>	<u>(974)</u>
Net assets		<u><u>467,769</u></u>	<u><u>341,811</u></u>

ALLEN (FENCING) LIMITED

REGISTERED NUMBER:00489740

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 28 FEBRUARY 2021

	2021 £	2020 £
Capital and reserves		
Called up share capital	901	901
Capital redemption reserve	899	899
Profit and loss account	465,969	340,011
	<u>467,769</u>	<u>341,811</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M. R. Jones

Director

Date: 21 January 2022

The notes on pages 3 to 8 form part of these financial statements.

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

1. General information

Allen (Fencing) Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office and the company's registered number is disclosed on the company information page.

The Company's functional and presentational currency is GBP, rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The emergence and spread of Covid-19 in 2020, the associated social distancing measures and imposed travel restrictions have significantly impacted businesses globally and at the beginning of the financial year the business was impacted by delays to contracts.

However, the Company provides essential services to a diverse portfolio of government and private contractors which means that despite the initial delays that occurred, the Company continues to have a very strong order book. This fact, together with the support of its directors and shareholders and adequate headroom in its overdraft facility over the 12 months from the date of approval of these financial statements gives the directors confidence that the going concern basis of preparation of the accounts continues to be appropriate.

2.3 Revenue

Revenue from the installation of perimeter security fencing represents the value of work completed during the period, including estimates of amounts not invoiced. Revenue in respect of long term contracts and contracts for ongoing services is recognised by reference to stage of completion.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the following methods.

The estimated useful lives range as follows:

Plant and machinery	-
	5% per annum on cost
Motor vehicles	-
	25-33.3% per annum on cost
Fixtures and fittings	- 15-33.3% per annum on cost and 15-33.3% per annum on net book value

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the 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 reporting 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.

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.9 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge 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.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Value of bad debt provision:

Management apply judgement to determine when a provision is required if trade debtor balances are not deemed to be recoverable to avoid overstatement of assets. This use of estimation is not considered to give rise to a significant degree of uncertainty due to management awareness and ability to review for accuracy.

Stage of completion of contracts for WIP calculation:

The Company enters into commercial contracts and at period ends is required to assess the level of completion of these contracts, to determine value of revenue recognised and the attributable profit. Management estimate the cost to complete at period end, however based on budgets and an up to date progress review.

4. Employees

The average monthly number of employees, including directors, during the year was 45 (2020 - 48).

5. Tangible fixed assets

	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 March 2021	58,754	836,376	148,521	1,043,651
Disposals	-	(20,043)	-	(20,043)
At 28 February 2021	58,754	816,333	148,521	1,023,608
Depreciation				
At 1 March 2021	46,579	729,632	130,629	906,840
Charge for the year on owned assets	1,000	41,136	3,138	45,274
Disposals	-	(20,043)	-	(20,043)
At 28 February 2021	47,579	750,725	133,767	932,071
Net book value				
At 28 February 2021	11,175	65,608	14,754	91,537
At 29 February 2020	12,175	106,744	17,892	136,811

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

6. Debtors

	2021 £	2020 £
Trade debtors	709,850	259,052
Amounts owed by group undertakings	1,761,493	1,328,024
Other debtors	30,430	3,525
Prepayments and accrued income	125,134	317,468
Deferred taxation	2,195	-
	<u>2,629,102</u>	<u>1,908,069</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	251,030	272,000
Trade creditors	593,230	863,754
Amounts owed to group undertakings	604,847	362,505
Corporation tax	-	28,161
Other taxation and social security	432,064	210,401
Obligations under finance lease and hire purchase contracts	22,109	22,236
Other creditors	15,836	11,360
Accruals and deferred income	1,293,328	212,795
	<u>3,212,444</u>	<u>1,983,212</u>

The Company's assets are pledged as security over the group bank borrowings, by means of a fixed and floating charge. As at 28 February 2021, the group had bank borrowings totalling £251,030 (2020 - £272,000).

Bank overdrafts are secured by a fixed and floating charge over the Company's assets.

Obligations under finance lease and hire purchase contracts are secured on the Company's tangible fixed assets.

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Obligations under finance leases and hire purchase contracts	<u>36,443</u>	<u>46,569</u>

Obligations under finance lease and hire purchase contract are secured on the Company's tangible fixed assets.

ALLEN (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

9. Commitments under operating leases

At 28 February 2021 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	65,176	65,176
	<u>65,176</u>	<u>65,176</u>

10. Controlling party

The immediate parent undertaking is Allen TPS Group Limited, a company which is registered in England and Wales.

The parent of the smallest and largest group for which consolidated financial statements are drawn up is Allen TPS Group Limited. The address of its registered office is the same as this company's registered office and is disclosed on the Company Information page.

11. Auditors' information

The auditors' report on the financial statements for the year ended 28 February 2021 was unqualified.

The audit report was signed on 21 January 2022 by Caroline Milton FCA (Senior Statutory Auditor) on behalf of Menzies LLP.

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.