

**ER & RT Rackham Limited**  
**Unaudited Financial Statements**  
**For the year ended 31 March 2020**  
**Pages for filing with registrar**

# ER & RT RACKHAM LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr D E Rackham Mrs T J Rackham
<b>Secretary</b>	Mr D E Rackham
<b>Company number</b>	00579459
<b>Registered office</b>	Deben Mills Wickham Market Woodbridge Suffolk IP13 0RG
<b>Accountants</b>	Churchgate Accountants Limited 18 Langton Place Bury St Edmunds Suffolk IP33 1NE

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# **ER & RT RACKHAM LIMITED**

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# ER & RT RACKHAM LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	3		176,699		208,971
<b>Current assets</b>					
Stocks		59,557		71,517	
Debtors	4	89,649		103,101	
Cash at bank and in hand		551,549		495,000	
		<u>700,755</u>		<u>669,618</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(296,523)</u>		<u>(331,901)</u>	
<b>Net current assets</b>			404,232		337,717
<b>Total assets less current liabilities</b>			<u>580,931</u>		<u>546,688</u>
<b>Provisions for liabilities</b>			<u>(30,155)</u>		<u>(29,972)</u>
<b>Net assets</b>			<u>550,776</u>		<u>516,716</u>
<b>Capital and reserves</b>					
Called up share capital	6		1,625		1,625
Share premium account			2,500		2,500
Capital redemption reserve			4,875		4,875
Profit and loss reserves			<u>541,776</u>		<u>507,716</u>
<b>Total equity</b>			<u>550,776</u>		<u>516,716</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 March 2020 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.

## **ER & RT RACKHAM LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2020***

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The financial statements were approved by the board of directors and authorised for issue on 16 November 2020 and are signed on its behalf by:

Mr D E Rackham  
**Director**

**Company Registration No. 00579459**

# ER & RT RACKHAM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Company information

ER & RT Rackham Limited is a private company limited by shares incorporated in England and Wales. The registered office is Deben Mills, Wickham Market, Woodbridge, Suffolk, IP13 0RG.

#### 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. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

In March 2020 the COVID-19 virus had a substantial impact on the global economy. However, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and that the economic effects of the virus are not expected to have a long-term impact on the future of the company. The accounts have therefore been prepared on a going concern basis.

#### 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.

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.

#### 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.

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:

Land and buildings Leasehold	Period of lease
Plant and machinery	15% reducing balance
Computer equipment	33% reducing balance
Motor vehicles	25% reducing balance

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.

## ER & RT RACKHAM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### 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.

##### 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.

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.

##### 1.8 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.

##### **Basic 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.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# ER & RT RACKHAM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments 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.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.10 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.

#### **1.11 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.

#### **1.12 Retirement benefits**

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



## ER & RT RACKHAM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

#### 2 Employees

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

	2020 Number	2019 Number
Total	13	14

#### 3 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2019	96,583	158,941	21,123	342,976	619,622
Additions	-	1,225	2,344	65,157	68,726
Disposals	(36,401)	(32,869)	-	(72,300)	(141,570)
At 31 March 2020	60,182	127,296	23,467	335,833	546,778
<b>Depreciation and impairment</b>					
At 1 April 2019	77,281	101,540	18,771	213,060	410,652
Depreciation charged in the year	603	7,831	1,550	46,974	56,958
Eliminated in respect of disposals	(23,130)	(9,278)	-	(65,123)	(97,531)
At 31 March 2020	54,753	100,093	20,321	194,912	370,079
<b>Carrying amount</b>					
At 31 March 2020	5,429	27,203	3,146	140,921	176,699
At 31 March 2019	19,302	57,401	2,352	129,916	208,971

#### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	63,475	64,391
Corporation tax recoverable	-	2,476
Other debtors	26,174	36,234
	89,649	103,101

## ER & RT RACKHAM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

**5 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	195,692	288,972
Corporation tax	27,897	-
Other taxation and social security	13,954	8,829
Other creditors	58,980	34,100
	<u>296,523</u>	<u>331,901</u>

**6 Called up share capital**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
813 Ordinary A shares of £1 each	813	813
812 Ordinary B shares of £1 each	812	812
	<u>1,625</u>	<u>1,625</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.