

Company Registration No. 01789541 (England and Wales)

PENDRAGON (DESIGN & BUILD) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
PAGES FOR FILING WITH REGISTRAR

PENDRAGON (DESIGN & BUILD) LIMITED

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PENDRAGON (DESIGN & BUILD) LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		45,484		43,657
Current assets					
Debtors	4	1,780,571		1,400,766	
Cash at bank and in hand		282,770		92,092	
		<u>2,063,341</u>		<u>1,492,858</u>	
Creditors: amounts falling due within one year	5	<u>(1,308,249)</u>		<u>(1,141,743)</u>	
Net current assets			755,092		351,115
Total assets less current liabilities			<u>800,576</u>		<u>394,772</u>
Creditors: amounts falling due after more than one year	6		<u>(297,564)</u>		-
Net assets			<u>503,012</u>		<u>394,772</u>
Capital and reserves					
Called up share capital			200		200
Revaluation reserve	8		2,991		10,221
Profit and loss reserves			<u>499,821</u>		<u>384,351</u>
Total equity			<u>503,012</u>		<u>394,772</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 August 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.

PENDRAGON (DESIGN & BUILD) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

The financial statements were approved by the board of directors and authorised for issue on 4 March 2021 and are signed on its behalf by:

Mr D R Johansen

Director

Company Registration No. 01789541

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

Pendragon (Design & Build) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Pendragon House, General Rees Square, CWMBRAN, Torfaen, UK, NP44 1AJ.

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 plant and machinery. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors acknowledge that the company has returned to net assets and the made a profit in the period, Post year end the financial position of the company has continued to improve.

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. With the continued support of the directors, shareholders and other creditors the directors are confident that they should continue to adopt the going concern basis of accounting.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts.

Turnover in respect of construction contracts is recognised using the percentage of work done less provisions for contingencies and anticipated future losses on contracts.

Turnover from the provision of goods and services is only recognised when the amounts to be recognised are fixed or determinable and recoverability is reasonably assured.

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 provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, which ever is shorter.

Plant and machinery	20% on reducing balance
Motor vehicles	10% to 25% on 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.

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

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 is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 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 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs.

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.

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 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.

1.11 Retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

1.12 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.13 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 35 (2019 - 31).

	2020 Number	2019 Number
Total	35	31

3 Tangible fixed assets

	Plant and machinery etc £
Cost or valuation	
At 1 September 2019	187,909
Additions	12,746
Disposals	(934)
At 31 August 2020	199,721
Depreciation and impairment	
At 1 September 2019	144,252
Depreciation charged in the year	10,913
Eliminated in respect of disposals	(928)
At 31 August 2020	154,237
Carrying amount	
At 31 August 2020	45,484
At 31 August 2019	43,657

Plant & machinery with a carrying amount of £15,602 were revalued at 27 January 2017 on the basis of market value.

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	20,547	35,711
Other debtors	1,760,024	1,365,055
	<u>1,780,571</u>	<u>1,400,766</u>

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	676,735	578,840
Other taxation and social security	48,819	36,168
Other creditors	582,695	526,735
	<u>1,308,249</u>	<u>1,141,743</u>

6 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	<u>297,564</u>	<u>-</u>

7 Deferred taxation

There were no deferred tax movements in the year.

At the balance sheet date the company has an unrecognised deferred tax asset of £8,961 (2019: £46,844).

8 Revaluation reserve

	2020	2019
	£	£
At beginning of year	10,221	11,204
Transfer to retained earnings	(7,230)	(983)
	<u>2,991</u>	<u>10,221</u>

PENDRAGON (DESIGN & BUILD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Operating lease commitments

Lessee

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

	2020	2019
	£	£
Within one year	7,520	25,386
Between two and five years	9,403	9,557
	<u>16,923</u>	<u>34,943</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.