STATEMENT OF CONSENT TO PREPARE ABRIDGED FINANCIAL STATEMENTS

All of the members of A & J Welding Supplies Limited have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 March 2020 in accordance with Section 444(2A) of the Companies Act 2006.

COMPANY REGISTRATION NUMBER: 03097355

A & J WELDING SUPPLIES LIMITED

FILLETED UNAUDITED ABRIDGED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 March 2020

A & J WELDING SUPPLIES LIMITED

REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ABRIDGED FINANCIAL STATEMENTS OF A & J WELDING SUPPLIES LIMITED

YEAR ENDED 31 MARCH 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abridged financial statements of A & J Welding Supplies Limited for the year ended 31 March 2020, which comprise the abridged statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html. Our work has been undertaken in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf.

LANGARD LIFFORD HALL LIMITED Accountants and Registered Auditors

Lifford Hall Lifford Lane Kings Norton Birmingham B30 3JN

15 June 2020

A & J WELDING SUPPLIES LIMITED

ABRIDGED STATEMENT OF FINANCIAL POSITION

31 March 2020

	Note	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	**5**		**31,273**		10,584
Current Assets					
Stocks		**51,284**		45,158	
Debtors		**467,510**		440,457	
Cash at bank and in hand		**316,128**		355,602	
		834,922		841,217	
Creditors: amounts falling due within one year		**551,572**		538,192	
Net Current Assets			**283,350**		303,025
Total Assets Less Current Liabilities			**314,623**		313,609
Net Assets			**314,623**		313,609
Capital and Reserves					
Called up share capital			**135**		135
Profit and loss account			**314,488**		313,474
Shareholders Funds			**314,623**		313,609

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

For the year ending 31 March 2020 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 abridged financial statements for the year in question in accordance with section 476 ;

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

A & J WELDING SUPPLIES LIMITED

ABRIDGED STATEMENT OF FINANCIAL POSITION *(continued)*

31 March 2020

These abridged financial statements were approved by the board of directors and authorised for issue on 15 June 2020 , and are signed on behalf of the board by:

J Powell

Director

Company registration number: 03097355

A & J WELDING SUPPLIES LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

1. General Information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Lifford Hall, Lifford Lane, Kings Norton, Birmingham, B30 3JN.

2. Statement of Compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting Policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements 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. 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.

Revenue recognition

The turnover shown in the profit and loss account represents the realisable value of work undertaken during the year, exclusive of Value Added Tax.

Income tax

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property Improvements	-	25% reducing balance
Fixtures & Equipment	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the abridged statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

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 entity after deducting all of its financial liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee Numbers

The average number of persons employed by the company during the year amounted to 6 (2019: 6).

5. Tangible Assets

	£
Cost	
At 1 April 2019	**48,384**
Additions	**28,156**
Disposals	**(14,545)**
At 31 March 2020	**61,995**
Depreciation	
At 1 April 2019	**37,800**
Charge for the year	**4,016**
Disposals	**(11,094)**
At 31 March 2020	**30,722**
Carrying amount	
At 31 March 2020	**31,273**
At 31 March 2019	10,584

6. Operating Leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	**14,467**	9,990
Later than 1 year and not later than 5 years	**15,264**	19,966
	29,731	29,956

7. Directors' Advances, Credits and Guarantees

Included within creditors are amounts owed to the directors of £1,059 (2019: £1,016).

8. Related Party Transactions

Included within debtors are amounts owed by the parent company, A & J Welding (Holdings) Limited of £66,165 (2019: (£3,206)).

9. Controlling Party

The ultimate parent company is A & J Welding (Holdings) Limited , a company incorporated in the United Kingdom.

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.