

REGISTERED NUMBER: 03799250 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

FOR

ENCAPSULATE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	4

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2019

DIRECTORS:

D J Morton
N P Morton

SECRETARY:

N C Morton

REGISTERED OFFICE:

Crane Court
302 London Road
Ipswich
Suffolk
IP2 0AJ

BUSINESS ADDRESS:

61C High Street
Hadleigh
Ipswich
Suffolk
IP7 5DY

REGISTERED NUMBER:

03799250 (England and Wales)

ACCOUNTANTS:

Ballams
Chartered Accountants
Crane Court
302 London Road
Ipswich
Suffolk
IP2 0AJ

STATEMENT OF FINANCIAL POSITION
31 JULY 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	4		31,250		43,750
Tangible assets	5		<u>1,793</u>		<u>2,459</u>
			33,043		46,209
CURRENT ASSETS					
Debtors	6	323,967		276,070	
Cash at bank and in hand		<u>7,451</u>		<u>4,772</u>	
		331,418		280,842	
CREDITORS					
Amounts falling due within one year	7	<u>314,311</u>		<u>257,957</u>	
NET CURRENT ASSETS			<u>17,107</u>		<u>22,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			50,150		69,094
CREDITORS					
Amounts falling due after more than one year	8		(42,500)		(60,167)
PROVISIONS FOR LIABILITIES	11		<u>(271)</u>		<u>-</u>
NET ASSETS			<u>7,379</u>		<u>8,927</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>7,279</u>		<u>8,827</u>
SHAREHOLDERS' FUNDS			<u>7,379</u>		<u>8,927</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

STATEMENT OF FINANCIAL POSITION - continued
31 JULY 2019

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 July 2020 and were signed on its behalf by:

N P Morton - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

1. STATUTORY INFORMATION

Encapsulate Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Rendering of services

When the outcome of a transaction can be estimated reliably, turnover from testing gas and electrical installations is recognised by reference to the stage of completion at the statement of financial position date. Stage of completion is measured by reference to the estimated duration of each assignment.

Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2012, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment, fixtures & fittings - 33% on cost

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, bank and other loans and loans with related parties.

Debt instruments that are payable or receivable within one year, such as trade payables or receivables, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. Debt instruments that are repayable or receivable after one year are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each financial year for evidence of impairment. If objective evidence of impairment is found an impairment loss is recognised in the Income Statement.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 8 (2018 - 7).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2019

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 August 2018	
and 31 July 2019	<u>140,000</u>
AMORTISATION	
At 1 August 2018	96,250
Amortisation for year	<u>12,500</u>
At 31 July 2019	<u>108,750</u>
NET BOOK VALUE	
At 31 July 2019	<u>31,250</u>
At 31 July 2018	<u>43,750</u>

5. TANGIBLE FIXED ASSETS

	Office equipment, fixtures & fittings £
COST	
At 1 August 2018	17,051
Additions	<u>972</u>
At 31 July 2019	<u>18,023</u>
DEPRECIATION	
At 1 August 2018	14,592
Charge for year	<u>1,638</u>
At 31 July 2019	<u>16,230</u>
NET BOOK VALUE	
At 31 July 2019	<u>1,793</u>
At 31 July 2018	<u>2,459</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	119,562	105,657
Other debtors	<u>204,405</u>	<u>170,413</u>
	<u>323,967</u>	<u>276,070</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2019

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	8,585	8,585
Trade creditors	87,561	68,123
Taxation and social security	35,859	28,422
Other creditors	182,306	152,827
	<u>314,311</u>	<u>257,957</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Bank loans	12,879	22,179
Other creditors	29,621	37,988
	<u>42,500</u>	<u>60,167</u>

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	2,330	2,885
Between one and five years	-	1,664
	<u>2,330</u>	<u>4,549</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank loans	<u>21,464</u>	<u>30,764</u>

The security provided is that of a fixed and floating charge over the assets and undertaking of the company.

11. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	<u>271</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2019

11. PROVISIONS FOR LIABILITIES - continued

	Deferred tax
	£
Provided during year	<u>271</u>
Balance at 31 July 2019	<u>271</u>

12. RELATED PARTY DISCLOSURES

Included in other debtors at the statement of financial position date is a loan of £203,130 due from Hillingdon (Mansfield) Limited, a company in which N P Morton is a director and shareholder. This unsecured loan is interest bearing with no fixed date for repayment.

Included in other creditors at the statement of financial position date is £112,667 due to the director N P Morton and £9,000 due to the director Mr D J Morton.

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.