

**Company Number: 04056688**

**Charlton Bodies Limited**

**Financial Statements**

**for the financial year ended 30 September 2019**

**O'Neill Foley Unlimited Company  
Chartered Accountants and Statutory Auditors  
Patrick's Court  
Patrick Street  
Kilkenny  
Ireland**

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**Charlton Bodies Limited**

Company Number: 04056688

**BALANCE SHEET**

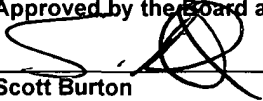
as at 30 September 2019

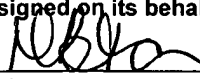
	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible assets	7	216,735	267,634
Investments	8	1	1
		<u>216,736</u>	<u>267,635</u>
<b>Current Assets</b>			
Stocks	9	587,461	613,636
Debtors	10	1,079,052	1,673,840
Cash and cash equivalents		2,469,534	1,547,935
		<u>4,136,047</u>	<u>3,835,411</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(1,647,740)</u>	<u>(1,545,328)</u>
<b>Net Current Assets</b>		<u>2,488,307</u>	<u>2,290,083</u>
<b>Total Assets less Current Liabilities</b>		<u>2,705,043</u>	<u>2,557,718</u>
<b>Creditors</b>			
Amounts falling due after more than one year	12	-	(8,153)
<b>Provisions for liabilities</b>	14	<u>(5,891)</u>	<u>(8,294)</u>
<b>Net Assets</b>		<u>2,699,152</u>	<u>2,541,271</u>
<b>Capital and Reserves</b>			
Called up share capital		1,000	1,000
Profit and Loss Account		2,698,152	2,540,271
<b>Shareholders' Funds</b>		<u>2,699,152</u>	<u>2,541,271</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 company has taken advantage of the exemption under section 444 not to file the Profit and Loss Account and Directors' Report.

Approved by the Board and authorised for issue on 27 April 2020 and signed on its behalf by

  
 Scott Burton  
 Director

  
 Margaret Burton  
 Director

## 1. GENERAL INFORMATION

Charlton Bodies Limited is a company limited by shares incorporated and registered in the United Kingdom. The registered number of the company is 04056688. The registered office of the company is Rutland Works, Vulcan Way, New Addington, Croydon, Surrey, United Kingdom. Menzies Road, Dover Port Zone, Whitfield, Dover, United Kingdom is the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### Statement of compliance

The financial statements of the company for the year ended 30 September 2019 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2006.

### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

### Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Long leasehold property	- 7%
Plant and machinery	- 10% / 20%
Fixtures, fittings and equipment	- 10% / 20%
Motor vehicles	- 25%

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

### Leasing and hire purchases

Tangible fixed assets held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

### Leasing

Rentals payable under operating leases are dealt with in the Profit and Loss Account as incurred over the period of the rental agreement.

### Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

### Borrowing costs

Borrowing costs relating to the construction of assets are capitalised at the appropriate rate by adding them to the cost of assets being constructed. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**Provisions**

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**Related parties**

For the purposes of these financial statements a party is considered to be related to the company if:

- the party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial and operating policy decisions or has joint control over the company;
- the company and the party are subject to common control;
- the party is an associate of the company or forms part of a joint venture with the company;
- the party is a member of key management personnel of the company or the company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

**Taxation and deferred taxation**

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

**Pensions**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Annual contributions payable to the company's pension scheme are charged to the Profit and Loss Account in the period to which they relate.

**Financial Instruments****Investments**

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related tax credit is recognised in the profit and loss account in the year in which it is receivable.

**Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

**Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Ordinary share capital**

The ordinary share capital of the company is presented as equity.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

**Useful Lives of Tangible Fixed Assets**

Long-lived assets comprising primarily of property, plant and machinery, fixtures, fittings and equipment and motor vehicles assets represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was £216,735 (2018: £267,634).

**Impairment of Stocks**

The group holds stocks amounting to £587,461 (2018: £613,636) at the financial year end date. The directors are of the view that an adequate charge has been made to reflect the possibility of stocks being sold at less than cost. However, this estimate is subject to inherent uncertainty.

**Impairment of Trade Debtors**

The companies within the group trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The group uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amount of trade debtors is £1,004,462 (2018: £1,371,696).

**Going Concern**

The company's business activities have been affected after year end by the global outbreak of Covid-19. The directors have made decisions which, in their opinion, protect the company's business. The directors are confident based on these decisions and the company's underlying financial position that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

**4. INFORMATION RELATING TO THE AUDITOR'S REPORT**

The Audit Report was unqualified. There were no matters to which the auditor was required to refer by way of emphasis.

The financial statements were audited by O'Neill Foley Unlimited Company.

The Auditor's Report was signed by John Conway (Senior Statutory Auditor) for and on behalf of O'Neill Foley Unlimited Company on 27th April 2020.

**5. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES**

In common with many other businesses of our size and nature, we use our auditors to prepare and submit tax returns to Her Majesty's Revenue and Customs and to assist with the preparation of the financial statements.

**6. EMPLOYEES**

The average monthly number of employees, including directors, during the financial year was 53, (2018 - 50).

## 7. TANGIBLE FIXED ASSETS

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2018	46,708	795,600	101,931	36,395	980,634
Additions	-	-	2,693	-	2,693
At 30 September 2019	46,708	795,600	104,624	36,395	983,327
<b>Depreciation</b>					
At 1 October 2018	46,537	538,880	98,010	29,573	713,000
Charge for the financial year	171	42,294	4,305	6,822	53,592
At 30 September 2019	46,708	581,174	102,315	36,395	766,592
<b>Net book value</b>					
At 30 September 2019	-	214,426	2,309	-	216,735
At 30 September 2018	171	256,720	3,921	6,822	267,634

### 7.1. TANGIBLE FIXED ASSETS CONTINUED

Included above are assets held under finance leases or hire purchase contracts as follows:

	2019 Net book value £	2019 Depreciation charge £	2018 Net book value £	2018 Depreciation charge £
Plant and machinery	162,920	31,020	193,940	31,020

## 8. INVESTMENTS

	Group and participating interests/ joint ventures £	Total £
<b>Investments</b>		
<b>Cost</b>		
At 30 September 2019	1	1
<b>Net book value</b>		
At 30 September 2019	1	1
At 30 September 2018	1	1

### 8.1. Holdings in related undertakings

The company holds 20% or more of the share capital of the following company:

Name	Country of incorporation	Nature of business	Details of investment	Proportion held by company
<b>Subsidiary undertaking</b>				
Charlton (Vehicle Finishers) Limited	United Kingdom	Non-trading	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Year ended	Capital and reserves £	Profit for the year £
Charlton (Vehicle Finishers) Limited	30 September 2019	1	-

In the opinion of the directors, the value to the company of the unlisted investments is not less than the book amount shown above.

<b>9. STOCKS</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Raw materials	212,746	185,129
Work in progress	373,409	427,401
Expense stock	1,306	1,106
	<b>587,461</b>	<b>613,636</b>

The replacement cost of stock did not differ significantly from the figures shown.

<b>10. DEBTORS</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,004,462	1,371,696
Amounts owed by group companies	-	226,535
Prepayments and accrued income	74,590	75,609
	<b>1,079,052</b>	<b>1,673,840</b>

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is thirty days. Trade debtors are shown net of impairment in respect of doubtful debts.

<b>11. CREDITORS</b>	<b>2019</b>	<b>2018</b>
<b>Amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	8,321	57,317
Trade creditors	990,478	876,122
Amounts owed to group companies	77,964	-
Taxation (Note 13)	187,473	217,733
Accruals	383,504	394,156
	<b>1,647,740</b>	<b>1,545,328</b>

Trade creditors include amounts owing to suppliers, who purport to include reservation of title clauses in their conditions of sales. It is not practicable to quantify this amount, or how much of it is included in stocks.

The repayment terms of trade creditors vary between on demand and ninety days. No interest is payable on trade creditors.

The terms of the accruals are based on the underlying contracts.

Amounts owed to group companies are unsecured, interest free and repayable on demand.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.



<b>12. CREDITORS</b>	<b>2019</b>	<b>2018</b>
<b>Amounts falling due after more than one year</b>	<b>£</b>	<b>£</b>
Finance leases and hire purchase contracts	-	8,153
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	8,321	57,317
Repayable between one and five years	-	8,153
	<b>8,321</b>	<b>65,470</b>

<b>13. TAXATION</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Creditors:</b>		
VAT	136,477	143,990
Corporation tax	17,049	39,271
PAYE / NI	33,947	34,472
	<b>187,473</b>	<b>217,733</b>

#### 14. PROVISIONS FOR LIABILITIES

The amounts provided for deferred taxation are analysed below:

	<b>Capital allowances</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2019 £</b>	<b>2018 £</b>
At financial year start	8,294	8,294	9,482
Charged to profit and loss	(2,403)	(2,403)	(1,188)
At financial year end	<b>5,891</b>	<b>5,891</b>	<b>8,294</b>

#### 15. PENSION COSTS - DEFINED CONTRIBUTION

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to £41,434 (2018 - £30,661).

#### 16. CAPITAL COMMITMENTS

The company had no material capital commitments at the financial year-ended 30 September 2019.

#### 17. RELATED PARTY TRANSACTIONS

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

Fellow subsidiaries Thompsons (UK) Limited, Thompsons Servicetech Limited and Thompsons Tippers (Scotland) Limited debtors at the balance sheet date were £Nil (2018: £226,535) and creditors at the balance sheet date were £77,964 (2018: £Nil).

Fellow subsidiary company Thompsons (UK) Limited has guaranteed bank borrowings to £100,000 and a lease on behalf of the company at an annual rent of £118,000.

#### 18. PARENT COMPANY

The company regards Thompsons (UK) Holdings Limited as its parent company, a company controlled by the Burton and Thomas families.

#### **19. POST-BALANCE SHEET EVENTS**

The company's business activities have been affected after year end by the global outbreak of COVID-19. The directors, in line with Government directives, have made decisions which, in their opinion, protect the health and safety of their employees and the company's underlying business. They are confident these decisions and the company's strong financial position will ensure the future sustainability and profitability of the company.