

**A & R PRODUCTS (SOUTH EAST)  
LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 AUGUST 2019**

**MAGEE GAMMON**

Chartered Accountants

Henwood House

Henwood

Ashford

Kent

TN24 8DH

**A & R PRODUCTS (SOUTH EAST) LIMITED**  
**REGISTERED NUMBER:04502987**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019	2018
<b>FIXED ASSETS</b>			
Tangible assets	4	355,081	362,197
		<u>355,081</u>	<u>362,197</u>
<b>CURRENT ASSETS</b>			
Stocks	5	82,292	84,990
Debtors: amounts falling due within one year	6	370,850	352,423
Cash at bank and in hand		192,468	128,156
		<u>645,610</u>	<u>565,569</u>
Creditors: amounts falling due within one year	7	(471,090)	(403,466)
<b>NET CURRENT ASSETS</b>		<u>174,520</u>	<u>162,103</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>529,601</u>	<u>524,300</u>
Creditors: amounts falling due after more than one year	8	(127,474)	(150,905)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax	11	(8,405)	(8,450)
		<u>(8,405)</u>	<u>(8,450)</u>
<b>NET ASSETS</b>		<u>£ 393,722</u>	<u>£ 364,945</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		100	100
Profit and loss account		393,622	364,845
		<u>£ 393,722</u>	<u>£ 364,945</u>

**A & R PRODUCTS (SOUTH EAST) LIMITED**  
**REGISTERED NUMBER:04502987**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2019**

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 January 2020.

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**Mr J Ralph**  
Director

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**Mr M Atkins**  
Director

The notes on pages 3 to 10 form part of these financial statements.

# **A & R PRODUCTS (SOUTH EAST) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019**

### **1. General information**

A & R Products (South East) Limited is a private company limited by shares. The company registration number is 04502987, incorporated in England and Wales. The registered office of the company is Henwood House, Henwood, Ashford, Kent, TN24 8DH. The principal place of business is Europa House, Pivington Mill, Egerton Road, Pluckley, Ashford, Kent, TN27 0PG.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## **A & R PRODUCTS (SOUTH EAST) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019**

#### **2. Accounting policies (continued)**

##### **2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, see below.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line basis
Plant and machinery	-	25% reducing balance basis
Motor vehicles	-	25% reducing balance basis
Office equipment	-	25% reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

##### **2.4 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### **2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.6 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.7 Finance costs**

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.8 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## **A & R PRODUCTS (SOUTH EAST) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019**

#### **2. Accounting policies (continued)**

##### **2.9 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.10 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

##### **2.11 Borrowing costs**

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

##### **2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

## **A & R PRODUCTS (SOUTH EAST) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019**

#### **2. Accounting policies (continued)**

##### **2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was 10 (2018 -11).

# A & R PRODUCTS (SOUTH EAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 4. Tangible fixed assets

	Freehold property	Plant and machinery	Motor vehicles	Office equipment	Total
<b>Cost or valuation</b>					
At 1 September 2018	344,024	22,359	55,546	13,579	435,508
Additions	-	3,676	16,774	869	21,319
Disposals	-	-	(18,600)	-	(18,600)
At 31 August 2019	<u>344,024</u>	<u>26,035</u>	<u>53,720</u>	<u>14,448</u>	<u>438,227</u>
<b>Depreciation</b>					
At 1 September 2018	26,300	15,258	21,863	9,890	73,311
Charge for the year on owned assets	6,880	2,511	6,141	988	16,520
Disposals	-	-	(6,685)	-	(6,685)
At 31 August 2019	<u>33,180</u>	<u>17,769</u>	<u>21,319</u>	<u>10,878</u>	<u>83,146</u>
<b>Net book value</b>					
At 31 August 2019	£ <u>310,844</u>	£ <u>8,266</u>	£ <u>32,401</u>	£ <u>3,570</u>	£ <u>355,081</u>
<b>At 31 August 2018</b>	£ <u>317,724</u>	£ <u>7,101</u>	£ <u>33,683</u>	£ <u>3,689</u>	£ <u>362,197</u>

### 5. Stocks

	2019	2018
Raw materials and consumables	£ <u>82,292</u>	£ <u>84,990</u>



# A & R PRODUCTS (SOUTH EAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 6. Debtors

	2019	2018
Trade debtors	360,402	341,073
Other debtors	5,076	4,983
Prepayments and accrued income	5,372	6,367
	<u>£ 370,850</u>	<u>£ 352,423</u>

### 7. Creditors: Amounts falling due within one year

	2019	2018
Bank loans	23,300	20,300
Trade creditors	316,032	239,047
Corporation tax	34,328	40,290
Other taxation and social security	49,662	56,293
Obligations under finance lease and hire purchase contracts	12,138	9,065
Other creditors	31,603	26,923
Accruals and deferred income	4,027	11,548
	<u>£ 471,090</u>	<u>£ 403,466</u>

The following liabilities were secured:

	2019	2018
Bank loans	23,300	20,300
Obligations under finance leases and hire purchase contracts	12,138	9,065
	<u>35,438</u>	<u>29,365</u>

Details of security provided:

Bank loans are secured by way of a fixed and floating charge against the assets of the company. Finance leases are secured on the assets concerned.

# A & R PRODUCTS (SOUTH EAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 8. Creditors: Amounts falling due after more than one year

	2019	2018
Bank loans	116,229	142,574
Net obligations under finance leases and hire purchase contracts	11,245	8,331
	<u>£ 127,474</u>	<u>£ 150,905</u>

The following liabilities were secured:

	2019	2018
Bank loans	116,229	142,574
Obligations under finance leases and hire purchase contracts	11,245	8,331
	<u>127,474</u>	<u>150,905</u>

Details of security provided:

Bank loans are secured by way of a fixed and floating charge against the assets of the company. Finance leases are secured on the assets concerned.

### 9. Loans

Analysis of the maturity of loans is given below:

	2019	2018
<b>Amounts falling due within one year</b>		
Bank loans	23,300	20,300
<b>Amounts falling due after more than 5 years</b>		
Bank loans	116,229	142,574
	<u>£ 139,529</u>	<u>£ 162,874</u>

### 10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
Within one year	12,138	9,065
Between 1-5 years	11,245	8,331
	<u>£ 23,383</u>	<u>£ 17,396</u>

# A & R PRODUCTS (SOUTH EAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 11. Deferred taxation

	2019
At beginning of year	(8,450)
Charged to profit or loss	45
<b>At end of year</b>	<b><u>£ (8,405)</u></b>

The provision for deferred taxation is made up as follows:

	2019	2018
Accelerated capital allowances	8,405	8,450
	<b><u>£ 8,405</u></b>	<b><u>£ 8,450</u></b>

### 12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £21,667 (2018 - £8,588). Contributions totalling £556 (2018 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

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