

A & J Carpenters Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

A & J Carpenters Limited

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A & J Carpenters Limited
(Registration number: 05393291)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	90,000	105,000
Tangible assets	<u>5</u>	<u>68,382</u>	<u>35,580</u>
		<u>158,382</u>	<u>140,580</u>
Current assets			
Stocks	<u>6</u>	186,512	224,897
Debtors	<u>7</u>	145,825	170,814
Cash at bank and in hand		<u>70,849</u>	<u>22,934</u>
		403,186	418,645
Creditors: Amounts falling due within one year	<u>8</u>	<u>(298,469)</u>	<u>(406,511)</u>
Net current assets		<u>104,717</u>	<u>12,134</u>
Total assets less current liabilities		263,099	152,714
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(218,430)</u>	<u>(198,486)</u>
Provisions for liabilities		<u>(11,625)</u>	<u>(6,760)</u>
Net assets/(liabilities)		<u><u>33,044</u></u>	<u><u>(52,532)</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>32,044</u>	<u>(53,532)</u>
Total equity		<u><u>33,044</u></u>	<u><u>(52,532)</u></u>

The notes on pages 3 to 10 form an integral part of these financial statements.
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A & J Carpenters Limited
(Registration number: 05393291)
Balance Sheet as at 31 March 2019

For the financial year ending 31 March 2019 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 18 December 2019 and signed on its behalf by:

.....

T L Horn
Director

.....

J S Horn
Director

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

A & J Carpenters Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales, United Kingdom.

The address of its registered office is:

Unit 10
Alexandria Industrial Estate
Sidmouth
Devon
EX10 9HA

These financial statements were authorised for issue by the Board on 18 December 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

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Notes to the Financial Statements for the Year Ended 31 March 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance
Office equipment	33.3% straight line
Motor vehicles	25% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	straight line over 20 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

A & J Carpenters Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Financial Statements for the Year Ended 31 March 2019

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2018 - 20).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2018	300,000	300,000
At 31 March 2019	300,000	300,000
Amortisation		
At 1 April 2018	195,000	195,000
Amortisation charge	15,000	15,000
At 31 March 2019	210,000	210,000
Carrying amount		
At 31 March 2019	90,000	90,000
At 31 March 2018	105,000	105,000

A & J Carpenters Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

5 Tangible assets

	Office equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2018	2,598	77,583	1,312	81,493
Additions	621	60,003	-	60,624
Disposals	-	(13,895)	-	(13,895)
At 31 March 2019	3,219	123,691	1,312	128,222
Depreciation				
At 1 April 2018	1,493	43,831	589	45,913
Charge for the year	1,073	22,384	145	23,602
Eliminated on disposal	-	(9,675)	-	(9,675)
At 31 March 2019	2,566	56,540	734	59,840
Carrying amount				
At 31 March 2019	653	67,151	578	68,382
At 31 March 2018	1,105	33,752	723	35,580

6 Stocks

	2019 £	2018 £
Work in progress	186,512	224,897

7 Debtors

	2019 £	2018 £
Trade debtors	85,404	112,616
Other debtors	58,183	47,403
Prepayments and accrued income	2,238	10,795
	145,825	170,814

A & J Carpenters Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

8 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	9	8,147	7,727
Trade creditors		194,585	347,801
Taxation and social security		52,274	35,667
Other creditors		-	323
Accruals and deferred income		27,412	14,993
Corporation tax control		16,051	-
		<u>298,469</u>	<u>406,511</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	9	<u>218,430</u>	<u>198,486</u>

		2019 £	2018 £
Due after more than five years			
After more than five years by instalments		198,486	203,978
		<u>198,486</u>	<u>203,978</u>

A & J Carpenters Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	192,659	198,486
Hire purchase agreements	25,771	-
	<u>218,430</u>	<u>198,486</u>

The hire purchase agreements are secured on the assets concerned.
The Natwest bank loan is secured against the assets of the company.

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	5,827	5,492
Hire purchase agreements	2,320	2,235
	<u>8,147</u>	<u>7,727</u>

The hire purchase agreements are secured on the assets concerned.
The Natwest bank loan is secured against the assets of the company.

Included in the loans and borrowings are the following amounts due after more than five years:

Bank loans and overdrafts after five years

The amount of the bank loan due by instalments after five years is £165,562 (2018 - £172,950).

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £21,731 (2018 - £33,340).

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Notes to the Financial Statements for the Year Ended 31 March 2019

11 Related party transactions

Transactions with directors

	At 1 April 2018 £	Advances to directors £	Repayments by director £	At 31 March 2019 £
2019				
J S Horn				
and T L Horn	24,695	62,039	(50,000)	36,734

	At 1 April 2017 £	Advances to directors £	Repayments by director £	At 31 March 2018 £
2018				
J S Horn				
and T L Horn	33,330	90,996	(99,631)	24,695

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.