

PROFITABLE GROWTH LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2020

Bevan Buckland LLP
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

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FOR THE YEAR ENDED 30 APRIL 2020**

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PROFITABLE GROWTH LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2020

DIRECTORS:	S J Williams Mrs K Williams
SECRETARY:	Mrs K Williams
REGISTERED OFFICE:	C/O Bevan Buckland LLP Langdon House Langdon Road Swansea SA1 8QY
REGISTERED NUMBER:	06138320 (England and Wales)
ACCOUNTANTS:	Bevan Buckland LLP Langdon House Langdon Road SA1 Swansea Waterfront Swansea SA1 8QY
BANKERS:	HSBC Bank Plc 4A Vaughan Street Llanelli SA15 3TY

BALANCE SHEET
30 APRIL 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		3,476		5,315
CURRENT ASSETS					
Debtors	5	3,060		-	
Cash at bank		<u>62,060</u>		<u>56,937</u>	
		65,120		56,937	
CREDITORS					
Amounts falling due within one year	6	<u>47,170</u>		<u>45,681</u>	
NET CURRENT ASSETS			<u>17,950</u>		<u>11,256</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			21,426		16,571
PROVISIONS FOR LIABILITIES			<u>661</u>		<u>904</u>
NET ASSETS			<u>20,765</u>		<u>15,667</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>20,665</u>		<u>15,567</u>
SHAREHOLDERS' FUNDS			<u>20,765</u>		<u>15,667</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2020 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)

PROFITABLE GROWTH LIMITED (REGISTERED NUMBER: 06138320)

**BALANCE SHEET - continued
30 APRIL 2020**

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 27 January 2021 and were signed on its behalf by:

S J Williams - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

1. **STATUTORY INFORMATION**

Profitable Growth 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.

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, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

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

Plant and machinery - 15% straight line

Motor vehicles - 25% straight line

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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2020**

2. ACCOUNTING POLICIES - continued

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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 company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Cash at bank and cash in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Functional and Presentation Currency

The company's functional and presentation currency is pounds sterling.

Going Concern

The accounts have been prepared on the going concern basis, on the understanding that the director and shareholder will continue to financially support the company for a period of 12 months from the date of these financial statements. This support will be reviewed at that time.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation (legal and constructive) resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2019 - 2) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2020

4. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 May 2019	
and 30 April 2020	<u>14,445</u>
DEPRECIATION	
At 1 May 2019	9,130
Charge for year	<u>1,839</u>
At 30 April 2020	<u>10,969</u>
NET BOOK VALUE	
At 30 April 2020	<u>3,476</u>
At 30 April 2019	<u>5,315</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	<u>3,060</u>	<u>-</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Tax	13,200	27,233
VAT	14,585	7,496
Directors' current accounts	17,406	4,769
Accruals and deferred income	<u>1,979</u>	<u>6,183</u>
	<u>47,170</u>	<u>45,681</u>

Included in creditors is an amount of £17,406.16 (2019: £4,769.27) which is owed to the directors. This amount is repayable on demand and interest free.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
PROFITABLE GROWTH LIMITED**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Profitable Growth Limited for the year ended 30 April 2020 which comprise the Statement of Income and Retained Earnings, Balance Sheet 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 Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Profitable Growth Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Profitable Growth Limited and state those matters that we have agreed to state to the Board of Directors of Profitable Growth Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Profitable Growth Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Profitable Growth Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Profitable Growth Limited. You consider that Profitable Growth Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Profitable Growth Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Bevan Buckland LLP
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

27 January 2021

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.