

T G CONTRACTING LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

T G CONTRACTING LIMITED
REGISTERED NUMBER:07009035

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	-	1,721
Tangible assets	5	315,731	330,426
		<u>315,731</u>	<u>332,147</u>
Current assets			
Stocks		45,481	43,395
Debtors: amounts falling due within one year	6	37,733	62,517
Cash at bank and in hand		-	4,000
		<u>83,214</u>	<u>109,912</u>
Creditors: amounts falling due within one year	7	(72,133)	(64,812)
Net current assets		<u>11,081</u>	<u>45,100</u>
Total assets less current liabilities		<u>326,812</u>	<u>377,247</u>
Creditors: amounts falling due after more than one year	8	(174,965)	(217,650)
Provisions for liabilities			
Deferred tax		(30,584)	(34,502)
		<u>(30,584)</u>	<u>(34,502)</u>
Net assets		<u><u>121,263</u></u>	<u><u>125,095</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		121,163	124,995
		<u><u>121,263</u></u>	<u><u>125,095</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 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 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 income statement 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 12 June 2020.

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Mr Timothy Groom
Director

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

1. General information

T G Contracting Limited is a private company limited by shares and incorporated in England and Wales, registration number 07009035. The registered office is Unit 8 Home Farm Business Park, Norwich Road, Marsham, Norwich, Norfolk, NR10 5PQ.

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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Income statement on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 October 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.4 Finance costs

Finance costs are charged to the Income statement 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.

2.5 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, 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 reporting 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 Statement of financial position 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 reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income statement over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.8 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.

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

Depreciation is provided on the following basis:

Freehold property	- Nil depreciation on land / 10% straight line on barn improvement
Plant & machinery	- 15% Reducing balance machinery / 25% reducing balance office equipment

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 Income statement.

2.9 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)

2.10 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.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 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.

2.13 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 Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.15 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.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2018 - 2).

T G CONTRACTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

4. Intangible assets

	Goodwill £
Cost	
At 1 October 2018	17,207
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At 30 September 2019	17,207
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Amortisation	
At 1 October 2018	15,486
Charge for the year	1,721
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At 30 September 2019	17,207
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Net book value	
At 30 September 2019	-
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At 30 September 2018	1,721
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T G CONTRACTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

5. Tangible fixed assets

	Freehold property £	Plant & machinery £	Total £
Cost or valuation			
At 1 October 2018	151,450	234,573	386,023
Additions	6,698	7,902	14,600
	<u>158,148</u>	<u>242,475</u>	<u>400,623</u>
At 30 September 2019			
Depreciation			
At 1 October 2018	2,613	52,982	55,595
Charge for the year on owned assets	774	28,523	29,297
	<u>3,387</u>	<u>81,505</u>	<u>84,892</u>
At 30 September 2019			
Net book value			
At 30 September 2019	<u>154,761</u>	<u>160,970</u>	<u>315,731</u>
At 30 September 2018	<u>148,836</u>	<u>181,590</u>	<u>330,426</u>

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Freehold	154,761	148,836
	<u>154,761</u>	<u>148,836</u>

T G CONTRACTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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6. Debtors

	2019 £	2018 £
Trade debtors	18,716	38,086
Other debtors	17,229	22,726
Prepayments and accrued income	1,788	1,705
	<u>37,733</u>	<u>62,517</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	16,601	-
Bank loans	3,492	3,274
Trade creditors	5,017	-
Corporation tax	5,105	562
Other taxation and social security	1,855	12,765
Obligations under finance lease and hire purchase contracts	39,284	41,543
Other creditors	29	5,658
Accruals and deferred income	750	1,010
	<u>72,133</u>	<u>64,812</u>

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

	2019 £	2018 £
Bank loans	87,462	90,954
Net obligations under finance leases and hire purchase contracts	87,503	126,696
	<u>174,965</u>	<u>217,650</u>

NOTES TO THE FINANCIAL STATEMENTS
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9. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans	3,492	3,274
	<u>3,492</u>	<u>3,274</u>
Amounts falling due 2-5 years		
Bank loans	10,872	14,364
	<u>10,872</u>	<u>14,364</u>
Amounts falling due after more than 5 years		
Bank loans	76,590	76,590
	<u>76,590</u>	<u>76,590</u>
	<u>90,954</u>	<u>94,228</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	39,284	41,543
Between 1-5 years	87,503	126,696
	<u>126,787</u>	<u>168,239</u>

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.