

Unaudited Financial Statements for the Year Ended 30 November 2020

for

Birmingham Drain Services Ltd

Birmingham Drain Services Ltd (Registered number: 07344240)

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Birmingham Drain Services Ltd

Company Information
for the Year Ended 30 November 2020

DIRECTORS:

A Buchanan
T Buchanan

REGISTERED OFFICE:

Unit 66 Birch Road East
Witton
Birmingham
B6 7DA

REGISTERED NUMBER:

07344240 (England and Wales)

ACCOUNTANTS:

Breslins Birmingham Ltd
Chartered Accountants
Crosby Court
28 George Street
Birmingham
B3 1QG

Birmingham Drain Services Ltd (Registered number: 07344240)

Balance Sheet 30 November 2020

	Notes	30.11.20 £	£	30.11.19 £	£
FIXED ASSETS					
Intangible assets	4		-		13,000
Tangible assets	5		<u>436,833</u>		<u>425,949</u>
			436,833		438,949
CURRENT ASSETS					
Stock and WIP		6,913		7,146	
Debtors	6	690,961		688,510	
Cash at bank		<u>166,900</u>		<u>28,937</u>	
		864,774		724,593	
CREDITORS					
Amounts falling due within one year	7	<u>651,414</u>		<u>617,150</u>	
NET CURRENT ASSETS			<u>213,360</u>		<u>107,443</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			650,193		546,392
CREDITORS					
Amounts falling due after more than one year	8		(220,775)		(159,607)
PROVISIONS FOR LIABILITIES			<u>(62,997)</u>		<u>(60,930)</u>
NET ASSETS			<u><u>366,421</u></u>		<u><u>325,855</u></u>
CAPITAL AND RESERVES					
Called up share capital			2,000		2,000
Retained earnings			<u>364,421</u>		<u>323,855</u>
SHAREHOLDERS' FUNDS			<u><u>366,421</u></u>		<u><u>325,855</u></u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 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
- (b) 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.

The notes form part of these financial statements

Birmingham Drain Services Ltd (Registered number: 07344240)

Balance Sheet - continued
30 November 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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 15 March 2021 and were signed on its behalf by:

A Buchanan - Director

The notes form part of these financial statements

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements for the Year Ended 30 November 2020

1. STATUTORY INFORMATION

Birmingham Drain Services Ltd 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 net of Vat and trade discounts. The policies adopted for the recognition of turnover are as follows

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.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery - 15% on reducing balance

Fixtures and fittings - 15% on reducing balance

Motor vehicles - 25% on reducing balance

Computer equipment - 33% on reducing balance

Stocks

Stock and wip are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2020

2. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in the other administrative expenses.

Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs 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 at a discounted at a market rate of interest.

Financial assets are classified as receivable within one year are not amortised.

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2020

2. ACCOUNTING POLICIES - continued

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 estimate 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 assets 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 accruing after impairment was recognized, 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 the profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement 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.

Basic financial liabilities

Basic financial liabilities, including creditors, 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 future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised costs using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 55 (2019 - 49) .

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2020

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 December 2019
and 30 November 2020

130,000

AMORTISATION

At 1 December 2019

117,000

Charge for year

13,000

At 30 November 2020

130,000

NET BOOK VALUE

At 30 November 2020

-

At 30 November 2019

13,000

5. TANGIBLE FIXED ASSETS

Plant and
machinery
etc
£

COST

At 1 December 2019

777,921

Additions

109,760

At 30 November 2020

887,681

DEPRECIATION

At 1 December 2019

351,972

Charge for year

98,876

At 30 November 2020

450,848

NET BOOK VALUE

At 30 November 2020

436,833

At 30 November 2019

425,949

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2020

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 December 2019	334,134
Additions	109,760
Transfer to ownership	(25,000)
At 30 November 2020	<u>418,894</u>
DEPRECIATION	
At 1 December 2019	103,099
Charge for year	57,162
Transfer to ownership	(16,000)
At 30 November 2020	<u>144,261</u>
NET BOOK VALUE	
At 30 November 2020	<u>274,633</u>
At 30 November 2019	<u>231,035</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.20 £	30.11.19 £
Trade debtors	585,291	613,694
Other debtors	<u>105,670</u>	<u>74,816</u>
	<u>690,961</u>	<u>688,510</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.20 £	30.11.19 £
Hire purchase contracts	106,329	86,945
Trade creditors	133,842	169,793
Taxation and social security	278,928	269,687
Other creditors	<u>132,315</u>	<u>90,725</u>
	<u>651,414</u>	<u>617,150</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.11.20 £	30.11.19 £
Hire purchase contracts	180,775	159,607
Other creditors	<u>40,000</u>	<u>-</u>
	<u>220,775</u>	<u>159,607</u>

Birmingham Drain Services Ltd (Registered number: 07344240)

Notes to the Financial Statements - continued
for the Year Ended 30 November 2020

9. **PARENT AND ULTIMATE PARENT UNDERTAKING**

The company's immediate parent is The Drain Group Limited, incorporated in England.

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.