

Company Registration No. 07587310 (England and Wales)

NEO GRANITE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020
PAGES FOR FILING WITH REGISTRAR

NEO GRANITE LIMITED

COMPANY INFORMATION

Directors	Mr M Domingos Pernes Mr M Rodrigues
Company number	07587310
Registered office	Unit 11 Credenda Road West Bromwich West Midlands B70 7JE
Accountants	AGS Accountants & Business Advisors Ltd Unit 1 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH
Business address	Unit 11 Credenda Road West Bromwich West Midlands B70 7JE

NEO GRANITE LIMITED

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NEO GRANITE LIMITED

BALANCE SHEET

AS AT 30 APRIL 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3	2,175,582		2,170,902	
Investments	4	300		300	
		<u>2,175,882</u>		<u>2,171,202</u>	
Current assets					
Stocks		330,000		300,000	
Debtors	6	1,094,327		802,204	
Investments	7	278,254		278,254	
Cash at bank and in hand		90,452		40,902	
		<u>1,793,033</u>		<u>1,421,360</u>	
Creditors: amounts falling due within one year	8	<u>(1,961,729)</u>		<u>(1,452,629)</u>	
Net current liabilities			<u>(168,696)</u>		<u>(31,269)</u>
Total assets less current liabilities			2,007,186		2,139,933
Creditors: amounts falling due after more than one year	9		(1,046,229)		(1,246,084)
Provisions for liabilities			<u>(257,502)</u>		<u>(230,868)</u>
Net assets			<u>703,455</u>		<u>662,981</u>
Capital and reserves					
Called up share capital			2		2
Revaluation reserve	11		-		51,979
Capital redemption reserve	12		1		1
Profit and loss reserves	13		703,452		610,999
Total equity			<u>703,455</u>		<u>662,981</u>

NEO GRANITE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2020

	Notes	2020 £	£	2019 £	£
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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 9 July 2020 and are signed on its behalf by:

Mr M Domingos Pernes
Director

Company Registration No. 07587310

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

Company information

Neo Granite Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 11 Credenda Road, West Bromwich, West Midlands, B70 7JE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10% reducing balance
Fixtures, fittings & equipment	33% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash and cash equivalents 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.

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

1.8 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 balance sheet 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

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.

Classification of financial liabilities

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.

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 the 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 cost, using the effective interest rate 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.

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.

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

1.9 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	23	19

3 Tangible fixed assets

	Plant and machinery etc £
Cost or valuation	
At 1 May 2019	2,504,618
Additions	308,274
Disposals	(104,380)
At 30 April 2020	2,708,512
Depreciation and impairment	
At 1 May 2019	333,716
Depreciation charged in the year	233,228
Eliminated in respect of disposals	(34,014)
At 30 April 2020	532,930
Carrying amount	
At 30 April 2020	2,175,582
At 30 April 2019	2,170,902

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

3 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020 £	2019 £
Plant and machinery	1,623,091	1,858,583
Motor vehicles	-	8,598
	<u>1,623,091</u>	<u>1,867,181</u>
Depreciation charge for the year in respect of leased assets	<u>180,522</u>	<u>72,982</u>

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2020 £	2019 £
Cost	-	699,071
Accumulated depreciation	-	(208,469)
Carrying value	<u>-</u>	<u>490,602</u>

The revaluation surplus is disclosed in note 11.

4 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	<u>300</u>	<u>300</u>

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2019 & 30 April 2020	<u>300</u>
Carrying amount	
At 30 April 2020	<u>300</u>
At 30 April 2019	<u>300</u>

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

5 Subsidiaries

Details of the company's subsidiaries at 30 April 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Neo Sintered Stone Specialists Limited	United Kingdom	Ordinary Shares	100.00
Project Stone International Limited	United Kingdom	Ordinary Shares	100.00
Evolution Growth Limited	United Kingdom	Ordinary Shares	100.00

6 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	776,628	461,906
Amounts owed by group undertakings and undertakings in which the company has a participating interest	210,811	-
Other debtors	106,888	340,298
	<u>1,094,327</u>	<u>802,204</u>

The balance of the debtors is subject to invoice financing

7 Current asset investments

	2020 £	2019 £
Other investments	<u>278,254</u>	<u>278,254</u>

The current asset investment relates to £278,254 invested in Woodleat. The value of funds invested are valued at cost and expected to mature at the end of 2020.

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

8 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans	81,111	33,333
Trade creditors	878,062	376,526
Taxation and social security	151,570	190,604
Other creditors	850,986	852,166
	<u>1,961,729</u>	<u>1,452,629</u>

The bank loan is secured by way of a fixed and floating charge over the assets of the company, held by Nat West Bank PLC, delivered on 31 March 2017.

Contained within other creditors is amount due to RBSIF of £278,817.05. The invoice financing is secured by way of a fixed and floating charge over the assets of the company, held by RBS Invoice Financing Ltd. delivered on 26 March 2019

9 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	235,689	12,738
Other creditors	810,540	1,233,346
	<u>1,046,229</u>	<u>1,246,084</u>

The bank loan is secured by way of a fixed and floating charge over the assets of the company, held by Nat West Bank PLC, delivered on 31 March 2017.

10 Finance lease obligations

	2020	2019
	£	£
Future minimum lease payments due under finance leases:		
Within one year	470,558	480,323
In two to five years	810,540	1,233,346
	<u>1,281,098</u>	<u>1,713,669</u>

NEO GRANITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

11 Revaluation reserve

	2020 £	2019 £
At the beginning of the year	51,979	57,154
Other movements	(51,979)	(5,175)
At the end of the year	-	51,979

12 Capital redemption reserve

	2020 £	2019 £
At the beginning and end of the year	1	1

13 Profit and loss reserves

	2020 £	2019 £
At the beginning of the year	610,999	596,715
Profit for the year	242,421	213,234
Dividends declared and paid in the year	(201,948)	(204,125)
Transfer from revaluation reserve	51,980	5,175
At the end of the year	703,452	610,999

14 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
	316,800	352,000

15 Parent company

The Ultimate controlling party of Neo Granite Limited is Neo Holdings Limited.

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.