

# The Powder Keg Firework Company Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 January 2023

**The Powder Keg Firework Company Limited**

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# **The Powder Keg Firework Company Limited**

## **Company Information**

**Director** P C Robinson

**Registered office** Kingfisher Court  
Plaxton Bridge Road  
Woodmansey  
Beverley  
East Yorkshire  
HU17 0RT

# The Powder Keg Firework Company Limited

(Registration number: 08413094)

## Balance Sheet as at 31 January 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	66,751	39,533
<b>Current assets</b>			
Stocks	<u>5</u>	525,000	525,000
Debtors	<u>6</u>	5,377	4,462
Cash at bank and in hand		5,000	-
		<u>535,377</u>	<u>529,462</u>
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(387,007)</u>	<u>(417,543)</u>
<b>Net current assets</b>		<u>148,370</u>	<u>111,919</u>
<b>Total assets less current liabilities</b>		215,121	151,452
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(59,177)</u>	<u>(38,079)</u>
<b>Provisions for liabilities</b>		<u>(12,682)</u>	<u>(6,208)</u>
<b>Net assets</b>		<u>143,262</u>	<u>107,165</u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Retained earnings		<u>143,260</u>	<u>107,163</u>
Shareholders' funds		<u>143,262</u>	<u>107,165</u>

For the financial year ending 31 January 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### Director's 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 director acknowledges his 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 director on 25 October 2023

.....  
P C Robinson

Director

The notes on pages 3 to 7 form an integral part of these financial statements.

# **The Powder Keg Firework Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023**

### **1 General information**

The company is a private company limited by share capital incorporated in England & Wales and the company registration number is 08413094.

The address of its registered office is:

Kingfisher Court  
Plaxton Bridge Road  
Woodmansey  
Beverley  
East Yorkshire  
HU17 0RT  
England

The principal place of business is:

Units 6 - 9  
Aire Street  
Castleford  
West Yorkshire  
WF10 1JJ

These financial statements were authorised for issue by the director on 25 October 2023.

### **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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### **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.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

#### **Revenue recognition**

Turnover arises from the sale of fireworks. Turnover is measured at the fair value of the consideration received or receivable and represents amounts for the sale of fireworks in the normal course of business, net of discounts and other sales-related taxes.

Turnover from the sale of fireworks is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods, which is when the goods are delivered to the customer.

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 of each of the companies 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



# **The Powder Keg Firework Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023**

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.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

### **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. At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

### **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 the sale of goods in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. 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.

# **The Powder Keg Firework Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023**

### **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.

### **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 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.

### **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.

## **3 Staff numbers**

The average number of persons employed by the Company (including the Director) during the year, was 1 (2022 - 1).



# The Powder Keg Firework Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023

### 4 Tangible assets

	Improvements to property £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 February 2022	13,717	8,923	26,523	49,163
Additions	-	-	38,713	38,713
At 31 January 2023	13,717	8,923	65,236	87,876
<b>Depreciation</b>				
At 1 February 2022	-	6,315	3,315	9,630
Charge for the year	3,429	651	7,415	11,495
At 31 January 2023	3,429	6,966	10,730	21,125
<b>Carrying amount</b>				
At 31 January 2023	10,288	1,957	54,506	66,751
At 31 January 2022	13,717	2,608	23,208	39,533

### 5 Stocks

	2023 £	2022 £
Other inventories	525,000	525,000

### 6 Debtors

	2023 £	2022 £
Other debtors	2	189
Prepayments and accrued income	5,375	4,273
Total current trade and other debtors	5,377	4,462

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2023 £	2022 £
<b>Due within one year</b>			
Bank loans and overdrafts	8	188,740	228,798
Trade creditors		1,636	3,560
Taxation and social security		40,622	56,355
Accruals and deferred income		1,700	1,450
Other borrowings	8	154,309	127,380
		387,007	417,543

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**Due after one year**

Loans and borrowings	<u>8</u>	<u>59,177</u>	<u>Page 6</u>	<u>38,079</u>
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# The Powder Keg Firework Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023

### 8 Loans and borrowings

	2023 £	2022 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	27,740	38,079
Obligations under HP and finance lease agreements	31,437	-
	<u>59,177</u>	<u>38,079</u>
	2023 £	2022 £
<b>Current loans and borrowings</b>		
Bank borrowings	9,847	9,567
Bank overdrafts	177,214	219,231
Obligations under HP and finance lease agreements	1,679	-
Other borrowings	154,309	127,380
	<u>343,049</u>	<u>356,178</u>

The bank overdraft is secured by a fixed and floating charge over all of the assets and undertakings of the company. Bank loans are unsecured. Other borrowings include unsecured amounts due to related parties. Hire purchase agreements are secured over the asset to which they relate.

### 9 Related party transactions

#### Other transactions with the Director

At the year end, the amount due to the Director was £916 (2022: £Nil). The amount is unsecured, interest-free and repayable on demand.

#### Summary of transactions with other related parties

Davison and Robinson Limited (a Company also owned by the Director)

At the year end, the amount due to Davison and Robinson Limited was £116,393 (2022: £106,380). The amount is unsecured, interest-free and repayable on demand.

A P Robinson (Shareholder)

At the year end, the amount due to AP Robinson was £37,000 (2022: £21,000). The amount is unsecured, interest-free and repayable on demand.

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.