

Company registration number 09314565 (England and Wales)

J. Harrison and Sons (Coal Merchants) Limited

Unaudited financial statements

For the year ended 31 May 2022

J. Harrison and Sons (Coal Merchants) Limited

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J. Harrison and Sons (Coal Merchants) Limited

Statement of income and retained earnings

For the year ended 31 May 2022

	2022 £	2021 £
Turnover	1,522,007	1,593,039
Cost of sales	(1,117,113)	(1,084,964)
Gross profit	404,894	508,075
Administrative expenses	(192,022)	(196,487)
Other operating income	19,125	-
Operating profit	231,997	311,588
Interest payable and similar expenses	(19,125)	-
Profit/(loss) on disposal of operations		
- Sale of trade	173,732	-
Profit before taxation	386,604	311,588
Tax on profit	(41,805)	(61,650)
Profit for the financial year	344,799	249,938
Retained earnings brought forward	205,581	105,643
Dividends	-	(150,000)
Retained earnings carried forward	550,380	205,581

J. Harrison And Sons (Coal Merchants) Limited

Balance sheet

as at 31 May 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		705,824		8,744
Tangible assets	4		13,222		27,352
			<u>719,046</u>		<u>36,096</u>
Current assets					
Stocks		480,330		46,635	
Debtors	5	55,565		391,427	
Cash at bank and in hand		<u>28,742</u>		<u>126,413</u>	
		564,637		564,475	
Creditors: amounts falling due within one year	6	<u>(730,002)</u>		<u>(145,156)</u>	
Net current (liabilities)/assets			<u>(165,365)</u>		<u>419,319</u>
Total assets less current liabilities			553,681		455,415
Creditors: amounts falling due after more than one year	7		-		(245,833)
Provisions for liabilities			<u>(3,300)</u>		<u>(4,000)</u>
Net assets			<u>550,381</u>		<u>205,582</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>550,380</u>		<u>205,581</u>
Total equity			<u>550,381</u>		<u>205,582</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

J. Harrison And Sons (Coal Merchants) Limited

Balance sheet (continued)

as at 31 May 2022

The financial statements were approved and signed by the director and authorised for issue on 27 September 2022

Mr J R Harrison

Director

Company Registration No. 09314565

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements

For the year ended 31 May 2022

1 Accounting policies

Company information

J. Harrison and Sons (Coal Merchants) Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Coal Yard, Milton Road, Stoke on Trent, Staffordshire, United Kingdom, ST1 6LE.

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.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Usually, turnover from the sale of goods is recognised when the goods are delivered and legal title has passed.

1.3 Intangible fixed assets - goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2016, along with an acquisition during 2022, is being amortised evenly over its estimated useful life of ten years

1.4 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.

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements (continued)

For the year ended 31 May 2022

1 Accounting policies

(Continued)

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 equipment	10% on reducing balance
Motor vehicles	25% on 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.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value (estimated selling price less costs to complete and sell). Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

1.6 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.

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.

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements (continued)

For the year ended 31 May 2022

1 Accounting policies

(Continued)

1.7 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.

1.8 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Retirement benefits

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

1.10 Leases

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.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements (continued)

For the year ended 31 May 2022

2 Employees

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

	2022 Number	2021 Number
Total	7	7

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 June 2021	214,000
Additions	702,080
At 31 May 2022	916,080
Amortisation and impairment	
At 1 June 2021	205,256
Amortisation charged for the year	5,000
At 31 May 2022	210,256
Carrying amount	
At 31 May 2022	705,824
At 31 May 2021	8,744

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements (continued)

For the year ended 31 May 2022

4 Tangible fixed assets

	Plant and Motor vehicles equipment		Total
	£	£	£
Cost			
At 1 June 2021	10,580	68,630	79,210
Disposals	-	(39,600)	(39,600)
At 31 May 2022	10,580	29,030	39,610
Depreciation and impairment			
At 1 June 2021	4,333	47,525	51,858
Depreciation charged in the year	625	2,879	3,504
Eliminated in respect of disposals	-	(28,974)	(28,974)
At 31 May 2022	4,958	21,430	26,388
Carrying amount			
At 31 May 2022	5,622	7,600	13,222
At 31 May 2021	6,247	21,105	27,352

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	40,780	35,106
Amounts owed by group undertakings	-	338,558
Other debtors	14,785	17,763
	55,565	391,427

J. Harrison and Sons (Coal Merchants) Limited

Notes to the financial statements (continued)

For the year ended 31 May 2022

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	-	4,167
Trade creditors	5,194	66,539
Amounts owed to group undertakings	35,499	-
Corporation tax	42,505	63,650
Other taxation and social security	5,981	5,266
Other creditors	540,823	5,534
	<u>730,002</u>	<u>145,156</u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

Amounts due under finance leases and hire purchase contracts are secured against the assets which they relate to.

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	-	245,833
	<u>-</u>	<u>245,833</u>
Creditors which fall due after five years are as follows:		
	2022	2021
	£	£
Payable by instalments	-	45,833
	<u>-</u>	<u>45,833</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.