ALEXANDER BROWN PLUMBING FITTINGS SPECIALISTS LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	Page
Balance Sheet	1
Notes to the Financial Statements	2

BALANCE SHEET 31 MARCH 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		16,303		20,748
CURRENT ASSETS					
Stocks		10,500		10,200	
Debtors	5	256,759		262,457	
Cash at bank and in hand		60,559		70,444	
		327,818		343,101	
CREDITORS					
Amounts falling due within one year	6	<u> 153,136</u>		217,437	
NET CURRENT ASSETS			<u>174,682</u>		125,664
TOTAL ASSETS LESS CURRENT					
LIABILITIES			<u>190,985</u>		146,412
CAPITAL AND RESERVES					
Called up share capital			3,750		3,750
Capital redemption reserve			6,250		6,250
Retained earnings			180,985		136,412
SHAREHOLDERS' FUNDS			<u>190,985</u>		146,412

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his 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 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 Profit and Loss Account has not been delivered.

The financial statements were approved by the director and authorised for issue on 12 November 2020 and were signed by:

C A Brown - Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. STATUTORY INFORMATION

Alexander Brown Plumbing Fittings Specialists Ltd is a private company, limited by shares, registered in Scotland. The company's registered office is 1320 Springburn Road, Glasgow, G21 1UT.

The presentation currency of the financial statements is Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. There were no material departures from that standard.

Going concern

The financial statements have been prepared on a going concern basis. The validity of this is dependent on the financial performance of the company following the restrictions and other conditions placed throughout the UK due to the Covid 19 pandemic, including the recoverability of debtors. After due consideration, the director considers it appropriate to prepare the financial statements on a going concern basis.

Judgements

The company considers on an annual basis the judgements that are made by management when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements.

The director considers there are no such significant judgements.

Turnover

Turnover represents the invoiced cost of goods and services sold during the year, excluding value added tax. The company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods and services have been passed to the purchaser.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery etc

- 25% on reducing balance and 15% on reducing balance

Tangible fixed assets are included at cost less accumulated depreciation and impairment.

Impairment of non financial assets

At each reporting date non-financial assets not carried at fair value, like plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount which is the higher of value in use and the fair value less cost to sell, is estimated and compared with the carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit and loss account.

Government grants

Government grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which it becomes receivable.

Stocks

Stocks are valued at the lower of cost and estimated selling price less cost to sell.

Page 2 continued...

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in the profit and loss account.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Taxation

Taxation represents the sum of tax currently payable and deferred tax. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

With the exception of changes arising on the initial recognition of a business combination, the tax expense is presented either in profit or loss, other comprehensive income or statement of changes in equity depending on the transaction that resulted in the tax expense.

Deferred tax liabilities are presented within provisions for liabilities. Deferred tax assets are not provided for.

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.

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.

Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3 (2019 - 4).

Page 3 continued...

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

4. TANGIBLE FIXED ASSETS

4.	TANGIBLE FIXED ASSETS		Plant and machinery etc £
	COST		<0.4 6 4
	At 1 April 2019		60,121
	Additions At 31 March 2020		406
	DEPRECIATION		60,527
	At 1 April 2019		39,373
	Charge for year		4,851
	At 31 March 2020		44,224
	NET BOOK VALUE		
	At 31 March 2020		16,303
	At 31 March 2019		20,748
5.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2020	2019
	Total delices	£	£
	Trade debtors Other debtors	145,918 110,841	175,089 87,368
	Other debtors	<u>256,759</u>	262,457
6.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2020	2019
		£	£
	Bank loans and overdrafts	45,198	22,330
	Trade creditors	63,167	145,356
	Taxation and social security	39,967	42,943
	Other creditors	4,804	6,808
		<u> 153,136</u>	217,437
7.	SECURED DEBTS		
	The following secured debts are included within creditors:		
		2020	2019
		£	£
	Bank overdrafts	<u>45,198</u>	<u>22,330</u>

The Royal Bank of Scotland plc holds a standard security and a bond and floating charge over the company's assets.

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

8. OTHER FINANCIAL COMMITMENTS

At the year end the company had total operating lease commitments outstanding of £3,226 (2019 - £8,675).

9. RELATED PARTY DISCLOSURES

At the balance sheet date, there was a balance receivable from a shareholder amounting to £76,711 (2019: £66,543) which is included in debtors. Interest of £1,769 (2019: £1,590) has been charged. The loan is repayable on demand.

During the year, rent of £19,200 was paid to a shareholder (2019: £19,500).

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.