

**HAFOD CONSTRUCTION LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Hafod Construction Limited
Financial Statements
For The Year Ended 31 March 2020

Contents

	Page
Balance Sheet	1—2
Notes to the Financial Statements	3—6

Hafod Construction Limited
Balance Sheet
As at 31 March 2020

Registered number: 04607017

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	5		83,898		106,818
			83,898		106,818
CURRENT ASSETS					
Debtors	6	113,121		64,620	
Cash at bank and in hand		94,914		117,158	
		208,035		181,778	
Creditors: Amounts Falling Due Within One Year	7	(139,396)		(107,337)	
NET CURRENT ASSETS (LIABILITIES)			68,639		74,441
TOTAL ASSETS LESS CURRENT LIABILITIES			152,537		181,259
Creditors: Amounts Falling Due After More Than One Year	8		-		(9,126)
PROVISIONS FOR LIABILITIES					
Deferred Taxation	10		(15,941)		(20,295)
NET ASSETS			136,596		151,838
CAPITAL AND RESERVES					
Called up share capital	11		1		1
Profit and Loss Account			136,595		151,837
SHAREHOLDERS' FUNDS			136,596		151,838

Hafod Construction Limited
Balance Sheet (continued)
As at 31 March 2020

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Michael Jones

Director

17th December 2020

The notes on pages 3 to 6 form part of these financial statements.

Hafod Construction Limited
Notes to the Financial Statements
For The Year Ended 31 March 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

1.3. Intangible Fixed Assets and Amortisation - Goodwill

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	15% Reducing balance
Motor Vehicles	25% Reducing balance
Computer Equipment	33% Straight line

1.5. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

Hafod Construction Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2020

1.6. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Amortisation

As at 1 April 2019

As at 31 March 2020

Net Book Value

As at 31 March 2020

As at 1 April 2019

2020

2019

£

45,000

45,000

-

-

45,000

45,000

-

-

Hafod Construction Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2020

5. Tangible Assets

	Plant & Machinery	Motor Vehicles	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 April 2019	7,748	222,585	420	230,753
Additions	94	10,000	-	10,094
Disposals	-	(17,500)	-	(17,500)
As at 31 March 2020	<u>7,842</u>	<u>215,085</u>	<u>420</u>	<u>223,347</u>
Depreciation				
As at 1 April 2019	3,495	120,301	139	123,935
Provided during the period	650	26,688	139	27,477
Disposals	-	(11,963)	-	(11,963)
As at 31 March 2020	<u>4,145</u>	<u>135,026</u>	<u>278</u>	<u>139,449</u>
Net Book Value				
As at 31 March 2020	<u>3,697</u>	<u>80,059</u>	<u>142</u>	<u>83,898</u>
As at 1 April 2019	<u>4,253</u>	<u>102,284</u>	<u>281</u>	<u>106,818</u>

6. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	108,907	61,366
Prepayments and accrued income	<u>4,214</u>	<u>3,254</u>
	<u>113,121</u>	<u>64,620</u>

7. Creditors: Amounts Falling Due Within One Year

	2020	2019
	£	£
Net obligations under finance lease and hire purchase contracts	7,301	21,902
Trade creditors	5,081	4,385
Corporation tax	10,397	9,347
Other taxes and social security	8,895	4,792
VAT	30,084	21,214
Net wages	4,456	-
Other creditors	843	91
Accruals and deferred income	400	400
Director's loan account	<u>71,939</u>	<u>45,206</u>
	<u>139,396</u>	<u>107,337</u>

Hafod Construction Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2020

8. Creditors: Amounts Falling Due After More Than One Year

	2020	2019
	£	£
Net obligations under finance lease and hire purchase contracts	-	9,126
	<u>-</u>	<u>9,126</u>

9. Obligations Under Finance Leases and Hire Purchase

	2020	2019
	£	£
The maturity of these amounts is as follows:		
Amounts Payable:		
Within one year	7,301	21,902
Between one and five years	-	9,126
	<u>7,301</u>	<u>31,028</u>
	<u>7,301</u>	<u>31,028</u>

10. Deferred Taxation

The provision for deferred taxation is made up of accelerated capital allowances

	2020	2019
	£	£
Deferred tax	15,941	20,295
	<u>15,941</u>	<u>20,295</u>

11. Share Capital

	2020	2019
	£	£
Allotted, Called up and fully paid	1	1
	<u>1</u>	<u>1</u>

12. Dividends

	2020	2019
	£	£
On equity shares:		
Final dividend paid	41,000	30,000
	<u>41,000</u>	<u>30,000</u>

13. Ultimate Controlling Party

The company's ultimate controlling party is Mr M Jones by virtue of his ownership of 100% of the issued share capital in the company.

14. General Information

Hafod Construction Limited is a private company, limited by shares, incorporated in England & Wales, registered number 04607017 . The registered office is Fernlea, Molverley Road, Pentre, Shrewsbury, SY4 1BU.