Company Registration No. 3923469 (England and Wales)

PASTRAD LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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PASTRAD LTD

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PASTRAD LTD

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Investment properties	**3**		2,915,000		2,500,000
Investments	**4**		60,000		60,000
			2,975,000		2,560,000
Current assets					
Debtors	**5**	5,860		5,974	
Cash at bank and in hand		109,765		102,535	
		115,625		108,509	
Creditors: amounts falling due within one year	**6**	(98,203)		(113,796)	
Net current assets/(liabilities)			17,422		(5,287)
Total assets less current liabilities			2,992,422		2,554,713
Creditors: amounts falling due after more than one year	**7**		(1,050,384)		(1,110,344)
Provisions for liabilities			(100,000)		(15,000)
Net assets			1,842,038		1,429,369
Capital and reserves					
Called up share capital			100		100
Other reserves	**9**		1,008,489		678,489
Profit and loss reserves			833,449		750,780
Total equity			1,842,038		1,429,369

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 31 March 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.

PASTRAD LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved by the board of directors and authorised for issue on 20 July 2020 and are signed on its behalf by:

Mr N C Stevens
Director

Company Registration No. 3923469

1 Accounting policies

Company information

Pastrad Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Number Three, Siskin Drive, Middlemarch Business Park, Coventry, CV3 4FJ.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

In early March 2020, the Covid-19 virus was declared a global pandemic. Business continuity, including supply chains and consumer demand across a number of industries and countries could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic.

The directors monitor the ever changing situation and continue to evaluate the company's ability to continue to trade on an ongoing and foreseeable basis.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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 contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1 Accounting policies **(Continued)**

1.5 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.

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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash and cash equivalents

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.

1.7 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.

1 Accounting policies **(Continued)**

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.

1.8 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.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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.

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.

2 Employees

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

	2020 Number	2019 Number
Total	-	-

3 Investment property

	2020 £
Fair value	
At 1 April 2019	2,500,000
Revaluations	415,000
At 31 March 2020	2,915,000

Investment property comprises £2,915,000. The fair value of the investment property has been arrived at on the basis of a valuation carried out by D & P Holt Property Consultants, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

4 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	60,000	60,000

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2019 & 31 March 2020	60,000
Carrying amount	
At 31 March 2020	60,000
At 31 March 2019	60,000

5 Debtors

	2020	2019
Amounts falling due within one year:	**£**	**£**
Prepayments and accrued income	5,860	5,974

6 Creditors: amounts falling due within one year

	2020	2019
	£	**£**
Bank loans	60,000	60,000
Trade creditors	9,320	5,000
Corporation tax	18,644	18,327
Other taxation and social security	8,389	8,619
Other creditors	1,850	21,850
	98,203	113,796

7 Creditors: amounts falling due after more than one year

	2020	2019
	£	**£**
Bank loans and overdrafts	1,050,384	1,110,344

8 Loans and overdrafts

	2020	2019
	£	**£**
Bank loans	1,110,384	1,170,344
Payable within one year	60,000	60,000
Payable after one year	1,050,384	1,110,344

The long-term loans are secured by fixed charges over the freehold investment property.

9 Other reserves

The fair value reserve represents fair value adjustments on the revaluation of investment properties that have been recognised through the profit and loss account. The amounts are transferred out of retained earnings at the balance sheet date to distinguish the undistributable nature of these reserves. At the balance sheet date the balance of £1,008,489 reflects the accumulated investment property revaluations less the deferred taxation provision arising on these revaluations.