

Unaudited Financial Statements for the Year Ended 31 December 2020

for

PENN CONTRACTING LIMITED

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for the Year Ended 31 December 2020

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PENN CONTRACTING LIMITED

Company Information
for the Year Ended 31 December 2020

DIRECTOR:	P Naylor
REGISTERED OFFICE:	19 Grafton Road Worcester Park Surrey KT4 7QQ
REGISTERED NUMBER:	02749547 (England and Wales)
ACCOUNTANTS:	Crowe U.K LLP 55 Ludgate Hill London EC4M 7JW

Balance Sheet
31 December 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Tangible assets	4		10,755		15,808
CURRENT ASSETS					
Debtors	5	93,606		107,330	
Cash at bank		<u>10,930</u>		<u>39,519</u>	
		104,536		146,849	
CREDITORS					
Amounts falling due within one year	6	<u>147,698</u>		<u>96,783</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(43,162)</u>		<u>50,066</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(32,407)</u>		<u>65,874</u>
CAPITAL AND RESERVES					
Called up share capital			10		10
Share premium			29,892		29,892
Capital redemption reserve			208		208
Retained earnings			<u>(62,517)</u>		<u>35,764</u>
SHAREHOLDERS' FUNDS			<u>(32,407)</u>		<u>65,874</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 29 September 2021 and were signed by:

P Naylor - Director

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. **STATUTORY INFORMATION**

PENN CONTRACTING LIMITED is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

Government grants

Government grants are accounted for when due

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. **ACCOUNTING POLICIES - continued**

Going concern

In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID19 virus. This has not had a significant, immediate impact on the company's operations because the furlough payments mitigated the losses and enabled them to retain staff but the Directors are aware that if the current situation deteriorates again then this may change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2019 - 8) .

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2020	88,997
Additions	<u>1,586</u>
At 31 December 2020	<u>90,583</u>
DEPRECIATION	
At 1 January 2020	73,189
Charge for year	<u>6,639</u>
At 31 December 2020	<u>79,828</u>
NET BOOK VALUE	
At 31 December 2020	<u>10,755</u>
At 31 December 2019	<u>15,808</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade debtors	68,022	88,283
Other debtors	3,277	7,027
Directors' loan accounts	20,333	10,000
Prepayments	<u>1,974</u>	<u>2,020</u>
	<u>93,606</u>	<u>107,330</u>

Included in other debtors is an amount of £20,000+interest at 2.5% owed to the company by the director. The loan is interest bearing at 2.5% per annum.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts	20,255	4,383
Trade creditors	58,798	37,013
Social security and other taxes	15,807	3,767
VAT	42,618	25,828
Other creditors	8,270	23,842
Accrued expenses	1,950	1,950
	<u>147,698</u>	<u>96,783</u>

7. **PENSION COMMITMENTS**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,819 (2019 - £25,103). Contributions totalling £6,213 (2019 - £17,534) were payable to the fund at the reporting date and are included in other creditors

8. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2020 and 31 December 2019:

	31.12.20	31.12.19
	£	£
P Naylor		
Balance outstanding at start of year	10,000	-
Amounts advanced	20,333	10,000
Amounts repaid	(10,000)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>20,333</u>	<u>10,000</u>