

Surewood Joinery Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 30 June 2020

Surewood Joinery Limited

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Surewood Joinery Limited

Company Information

Director Mr R J Wigginton

Company secretary Mr J W Truman

Registered office Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

Accountants RWB CA Limited
Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

Surewood Joinery Limited

(Registration number: 04777176) Balance Sheet as at 30 June 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	246,639	243,026
Current assets			
Stocks	5	9,869	11,562
Debtors	6	68,440	102,747
Cash at bank and in hand		82,307	52,477
		<hr/>	<hr/>
		160,616	166,786
Creditors: Amounts falling due within one year	7	<hr/> (73,357) <hr/>	<hr/> (88,013) <hr/>
Net current assets		<hr/> 87,259 <hr/>	<hr/> 78,773 <hr/>
Total assets less current liabilities		333,898	321,799
Creditors: Amounts falling due after more than one year	7	(130,369)	(136,369)
Provisions for liabilities		<hr/> (4,643) <hr/>	<hr/> (3,957) <hr/>
Net assets		<hr/> 198,886 <hr/>	<hr/> 181,473 <hr/>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<hr/> 198,786 <hr/>	<hr/> 181,373 <hr/>
Shareholders' funds		<hr/> 198,886 <hr/>	<hr/> 181,473 <hr/>

For the financial year ending 30 June 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 members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 29 April 2021

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Mr R J Wigginton
Director

Surewood Joinery Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

The principal place of business is:

Unit D,
Kett Street
Bulwell
Nottinghamshire
NG6 8NX

These financial statements were authorised for issue by the director on 29 April 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Government grants

Government grants have been recognised by the company under the accrual model and represents grants in relation to the Covid-19 pandemic.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Surewood Joinery Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of timing differences.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	Not provided
Improvements to freehold property	2% straight line
Plant and machinery	25% reducing balance
Motor Vehicles	25% reducing balance
Computer equipment	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Surewood Joinery Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 7 (2019 - 8).

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Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

4 Tangible assets

	Land and buildings £	Other tangible assets £	Total £
Cost or valuation			
At 1 July 2019	226,175	79,444	305,619
Additions	-	12,439	12,439
Disposals	-	(5,000)	(5,000)
	226,175	86,883	313,058
Depreciation			
At 1 July 2019	953	61,640	62,593
Charge for the year	79	7,165	7,244
Eliminated on disposal	-	(3,418)	(3,418)
	1,032	65,387	66,419
Carrying amount			
At 30 June 2020	225,143	21,496	246,639
At 30 June 2019	225,222	17,804	243,026

Included within the net book value of land and buildings above is £225,143 (2019 - £225,222) in respect of freehold land and buildings.

5 Stocks

	2020 £	2019 £
Work in progress	8,129	7,492
Other inventories	1,740	4,070
	9,869	11,562

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Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

6 Debtors

	2020 £	2019 £
Trade debtors	62,563	101,786
Prepayments	1,215	961
Other debtors	4,662	-
	68,440	102,747
	68,440	102,747

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	6,704	12,165
Trade creditors		23,484	16,672
Amounts owed to group undertakings and undertakings in which the company has a participating interest	10	5,238	5,238
Taxation and social security		18,172	15,602
Other creditors		19,759	38,336
		73,357	88,013
		73,357	88,013

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	8	130,369	136,369
		130,369	136,369

	2020 £	2019 £
Due after more than five years		
After more than five years by instalments	109,738	110,806
	109,738	110,806

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Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

8 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Hire purchase contracts	2,116	2,110
Other borrowings	4,588	10,055
	<u>6,704</u>	<u>12,165</u>

	2020 £	2019 £
Non-current loans and borrowings		
Hire purchase contracts	2,280	4,396
Other borrowings	128,089	131,973
	<u>130,369</u>	<u>136,369</u>

Secured Liabilities

The loan and overdrafts of £132,677 (2019: £137,266) is secured by a fixed charge over the company's freehold property. Hire purchase leases of £4,396 (2019: £6,506) are secured over the assets to which they relate.

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary A of £1 each	12	12	12	12
Ordinary B of £1 each	76	76	76	76
Ordinary C of £1 each	12	12	12	12
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10 Related party transactions

The company remunerates the directors solely with salary, which are deemed to be within the normal course of business.