COMPANY REGISTRATION NUMBER: 02652765

D.P. Cold Planing Limited

Filleted Unaudited Financial Statements

31 July 2018

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<u>ALEXANDER KNIGHT & CO LIMITED</u>

Chartered Accountants
Westgate House
44 Hale Road
Hale
Altrincham
Cheshire
WA14 2EX

D.P. Cold Planing Limited

Financial Statements

Year ended 31 July 2018

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D.P. Cold Planing Limited

Officers and Professional Advisers

The board of directors	A Prescott R Prescott
Company secretary	A Prescott
Registered office	Europa Trading Estate Europa Way Kearsley Manchester M26 1GG
Accountants	Alexander Knight & Co Limited Chartered Accountants Westgate House 44 Hale Road Hale Altrincham Cheshire WA14 2EX

D.P. Cold Planing Limited

Statement of Financial Position

31 July 2018

	Note	2018 £	£	2017 £
Fixed assets				
Tangible assets	5		**4,044,070**	3,350,819
Current assets				
Stocks		**313,657**		209,782
Debtors	6	**1,918,534**		1,219,249
Cash at bank and in hand		**70,875**		249,032
		2,303,066		1,678,063
Prepayments and accrued income		**24,842**		28,454
Creditors: amounts falling due within one year	7	**2,516,927**		2,061,492
Net current liabilities			**189,019**	354,975
Total assets less current liabilities			**3,855,051**	2,995,844
Creditors: amounts falling due after more than one year	8		**1,752,422**	1,388,153
Provisions				
Taxation including deferred tax			**607,634**	419,441
Accruals and deferred income			**11,443**	3,247
Net assets			**1,483,552**	1,185,003
Capital and reserves				
Called up share capital			**5,000**	5,000
Profit and loss account			**1,478,552**	1,180,003
Shareholders funds			**1,483,552**	1,185,003

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 4 to 10 form part of these financial statements.

D.P. Cold Planing Limited

Statement of Financial Position *(continued)*

31 July 2018

These financial statements were approved by the board of directors and authorised for issue on 2/4/2019, and are signed on behalf of the board by:

A Prescott
Director

Company registration number: 02652765

The notes on pages 4 to 10 form part of these financial statements.

D.P. Cold Planing Limited

Notes to the Financial Statements

Year ended 31 July 2018

1. General information

The company is a private company limited by shares, registered in England and Wales (registered number 02652765). The address of the registered office is Europa Trading Estate, Europa Way, Kearsley, Manchester, M26 1GG.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax from the proceeds.

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant judgements

Management do not feel that there are any judgements (apart from those involving estimations) that have been made in the process of applying the entity's accounting policies which have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Estimated useful life and residual value of fixed assets

Depreciation of tangible fixed assets have been based on the estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives and residual values, as evidenced by disposals during current and prior accounting periods.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing the impairment of trade debtors, management include factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Accrued income and amounts recoverable on contract.

The company accrues income for contracts where work has been undertaken, but not yet invoiced. In calculating the value of income to include, the company considers the level of work certified to date, together with work undertaken subsequent to the latest certification.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

3. Accounting policies *(continued)*

Taxation *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to property	-	10% reducing balance
Plant and machinery	-	10% reducing balance
Fixtures and office equipment	-	20% reducing balance
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Employee benefits

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 49 (2017: 41).

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	**Total £**
Cost					
At 1 August 2017	29,614	4,186,817	67,806	832,299	**5,116,536**
Additions	–	1,914,550	–	142,650	**2,057,200**
Disposals	–	(1,210,000)	–	–	**(1,210,000)**
At 31 July 2018	29,614	4,891,367	67,806	974,949	**5,963,736**
Depreciation					
At 1 August 2017	6,080	1,394,522	43,896	321,219	**1,765,717**
Charge for the year	2,267	312,826	4,435	123,791	**443,319**
Disposals	–	(289,370)	–	–	**(289,370)**
At 31 July 2018	8,347	1,417,978	48,331	445,010	**1,919,666**
Carrying amount					
At 31 July 2018	21,267	3,473,389	19,475	529,939	**4,044,070**
At 31 July 2017	23,534	2,792,295	23,910	511,080	3,350,819

6. Debtors

	2018	2017
	£	£
Trade debtors	1,324,544	1,120,960
Amounts owed by group undertakings and undertakings in which the company has a participating interest	266,174	27,368
Other debtors	327,816	70,921
	1,918,534	1,219,249

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	51,870	42,008
Trade creditors	454,309	361,834
Corporation tax	–	56,262
Social security and other taxes	607,794	535,514
Other creditors	1,402,954	1,065,874
	2,516,927	2,061,492

8. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	86,238	147,971
Other creditors	1,666,184	1,240,182
	1,752,422	1,388,153

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	50,000	50,000
Later than 1 year and not later than 5 years	45,833	95,833
	95,833	145,833

10. Charges on assets

Fixed assets with a net book value of £3,448,014 (2017: £2,752,836) are pledged in respect of hire purchase liabilities totalling £2,333,929 (2017: £1,725,270).

Other creditors of £718,257 (2017: £576,244) are secured via a fixed and floating charge over the assets of the company.

11. Directors' advances, credits and guarantees

As at the year end A Prescott owed £195,805 (2017: £26,520) and R Prescott owed £32,070 (2017: £17,040). This was repaid post year end.