

Company Registration No. 00075016 (England and Wales)

ARTHUR PRICE & CO. LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2020
PAGES FOR FILING WITH REGISTRAR



ARTHUR PRICE & CO. LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4	469,026		509,817	
Investments	5	37,100		37,100	
		<u>506,126</u>		<u>546,917</u>	
Current assets					
Stocks		2,366,383		3,024,932	
Debtors	6	813,119		1,439,060	
Cash at bank and in hand		430,032		5,228	
		<u>3,609,534</u>		<u>4,469,220</u>	
Creditors: amounts falling due within one year	7	<u>(989,916)</u>		<u>(1,990,695)</u>	
Net current assets		<u>2,619,618</u>		<u>2,478,525</u>	
Total assets less current liabilities		<u>3,125,744</u>		<u>3,025,442</u>	
Creditors: amounts falling due after more than one year	8	<u>(27,500)</u>		<u>(27,500)</u>	
Net assets		<u><u>3,098,244</u></u>		<u><u>2,997,942</u></u>	
Capital and reserves					
Called up share capital	9	27,000		27,000	
Revaluation reserve		395,506		403,570	
Capital redemption reserve		3,000		3,000	
Profit and loss reserves		<u>2,672,738</u>		<u>2,564,372</u>	
Total equity		<u><u>3,098,244</u></u>		<u><u>2,997,942</u></u>	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 Companies Act 2006 with respect to accounting records and the preparation of financial statements.

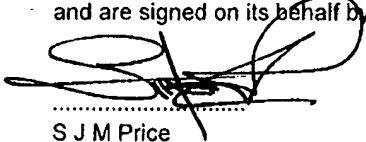
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

ARTHUR PRICE & CO. LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 17 June 2021
and are signed on its behalf by:



S J M Price
Director

ARTHUR PRICE & CO. LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 31 March 2018	27,000	415,685	3,000	2,959,517	3,405,202
Period ended 30 September 2019:					
Loss and total comprehensive income for the period	-	-	-	(407,260)	(407,260)
Transfers	-	(12,115)	-	12,115	-
Balance at 30 September 2019	27,000	403,570	3,000	2,564,372	2,997,942
Year ended 30 September 2020:					
Profit and total comprehensive income for the year	-	-	-	100,302	100,302
Transfers	-	(8,064)	-	8,064	-
Balance at 30 September 2020	27,000	395,506	3,000	2,672,738	3,098,244

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Company information

Arthur Price & Co. Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Britannia Way, Lichfield, Staffordshire, WS14 9UY.

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", including the adoption of the amendments issued in December 2017, ("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. The principal accounting policies adopted are set out below.

Reduced disclosures

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Reporting period

In the prior period the company changed its accounting reference date to 29 September from 30 March. The company has drawn up these accounts for the 12 month period ended 30 September 2020, in line with company law allowing accounts to be drawn up to within 7 days of the accounting reference date. The prior period was for the 18 month period ended 30 September 2019, therefore the comparative amounts presented in the financial statements (including the selected notes) are not entirely comparable.

Going concern

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.

The continuing effects of Covid-19 creates significant uncertainty for all businesses and the wider economy. Whilst the directors have contingency plans in place to try to mitigate the risks that the business faces in the forthcoming 12 months as a direct result of this and consider that the going concern basis remains appropriate, that uncertainty remains.

The accounts include no adjustments, which might be found necessary, should it transpire that the going concern basis is no longer appropriate.

Turnover

Turnover is recognised to the extent that it is probable that economic benefits will flow to the company and that the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, Value Added Tax and other sales taxes. The following criteria must also be met before turnover is recognised:

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies (Continued)

Turnover (continued)

Sale of goods

Turnover for the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets

Tangible fixed assets are initially measured at cost (deemed cost) and subsequently measured at cost, net of depreciation and any impairment losses.

The company has adopted the transition exemption under FRS 102 paragraph 35.10(c) and has measured certain freehold property at the transaction date at their fair value and elected to use these values as their deemed cost at the same date.

Any differences between depreciation based on the deemed cost charged in the profit and loss account and the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Plant and machinery	10% - 20% straight line
Computer equipment	20% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

Interests in subsidiaries, 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.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies (Continued)

Impairment of fixed assets (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and net realisable value, being estimated selling price less costs to complete and sell. Cost is based on a weighted average of the cost of the stock at the year end.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies (Continued)

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, amounts due to group undertakings 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies (Continued)

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

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

	2020 Number	2019 Number
Total	89	123

3 Dividends

Preference dividends in arrears total £2,888 (2019: £1,733).

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 October 2019	490,000	538,059	1,028,059
Additions	-	1,646	1,646
Disposals	-	(210,721)	(210,721)
At 30 September 2020	490,000	328,984	818,984
Depreciation and impairment			
At 1 October 2019	63,914	454,328	518,242
Depreciation charged in the year	9,930	32,507	42,437
Eliminated in respect of disposals	-	(210,721)	(210,721)
At 30 September 2020	73,844	276,114	349,958
Carrying amount			
At 30 September 2020	416,156	52,870	469,026
At 30 September 2019	426,086	83,731	509,817

The company applied the transitional arrangements of Section 35 of FRS 102 and have applied the fair value of freehold property as its deemed cost. The freehold property was valued on 18 November 2013 by an independent valuer, P D Oddy BSc (Hons), on an open market basis. The directors considered this to be a fair reflection of the market value of the property at the date of transition of 1 April 2014 based on their knowledge of the market. At 30 September 2020 this freehold property had a carrying value of £416,156 (2019: £426,086).

The freehold property is being depreciated from the transition date. As the property is depreciated, or sold, an appropriate transfer is made from the revaluation reserve to retained earnings.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2020 £	2019 £
Cost	93,305	93,305
Accumulated depreciation	(65,921)	(64,055)
Carrying value	27,384	29,250

5 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	37,100	37,100

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 October 2019 & 30 September 2020	167,610
Impairment	
At 1 October 2019 & 30 September 2020	130,510
Carrying amount	
At 30 September 2020	37,100
At 30 September 2019	37,100

6 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	489,080	996,662
Other debtors	324,039	442,398
	<u>813,119</u>	<u>1,439,060</u>

Included within other debtors are amounts owed by a director, details of which are given in note 11.

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	-	522,597
Trade creditors	532,065	711,217
Amounts due to group undertakings	35,873	35,873
Other taxation and social security	277,299	164,249
Other creditors	144,679	556,759
	<u>989,916</u>	<u>1,990,695</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

Included in other creditors is £nil (2019: £364,137) which is secured against the trade debtors of the company.

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

8 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other creditors	27,500	27,500

Disclosure of the terms and conditions attached to the non-equity shares, being other creditors, is made in note 9.

Creditors which fall due after five years are as follows:

	2020 £	2019 £
Payable other than by instalments	27,500	27,500

9 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
27,000 Ordinary shares of £1 each	27,000	27,000
	27,000	27,000
Shares classified as debt		
Issued and fully paid		
27,500 4.2% cumulative preference shares of £1 each	27,500	27,500
	27,500	27,500

The cumulative preference shares are redeemable and carry no voting rights except in the case of the winding up of the company or for the purpose of passing resolution directly varying any of the rights or privileges attached to such shares. They rank in priority to the ordinary shares in the event of the company being wound up. Included within other creditors are unpaid preference dividends of £2,888 (2019: £1,733).

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	166,437	182,200
Between one and five years	548,524	579,779
In over five years	476,758	612,974
	1,191,719	1,374,953

ARTHUR PRICE & CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

11 Directors' transactions

At the 30 September 2020, the company was owed £93,242 (2019: £246,898) by S J M Price in respect of his director's loan account. During the year payments of £93,242 (2019: £246,898) were made to S J M Price and an amount of £246,898 (2019: £153,914) was forgiven and waived. There is no interest charged or accruing on these amounts.

12 Parent company

The company is controlled by S J M Price by virtue of his majority shareholding.