

DENMAN & SONS BUILDERS MERCHANTS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

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FOR THE YEAR ENDED 31 JANUARY 2020

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DENMAN & SONS BUILDERS MERCHANTS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2020**

DIRECTORS:

R E Denman
C Denman
C Denman

SECRETARY:

C Denman

REGISTERED OFFICE:

New Road
Tir Y Berth
Hengoed
Mid Glamorgan
CF82 8AU

REGISTERED NUMBER:

00471410 (England and Wales)

ACCOUNTANTS:

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

BALANCE SHEET
31 JANUARY 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|-----------------|-----------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | 472,652 | 509,535 |
| CURRENT ASSETS | | | |
| Stocks | | 367,799 | 384,418 |
| Debtors | 5 | 179,097 | 157,306 |
| Cash at bank and in hand | | 96,367 | 135,233 |
| | | <u>643,263</u> | <u>676,957</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 6 | (340,392) | (485,274) |
| NET CURRENT ASSETS | | <u>302,871</u> | <u>191,683</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 775,523 | 701,218 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 7 | (142,118) | (173,431) |
| PROVISIONS FOR LIABILITIES | | <u>(12,802)</u> | <u>(16,141)</u> |
| NET ASSETS | | <u>620,603</u> | <u>511,646</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | 10,000 | 10,000 |
| Retained earnings | | 610,603 | 501,646 |
| SHAREHOLDERS' FUNDS | | <u>620,603</u> | <u>511,646</u> |

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their 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 Profit and loss account has not been delivered.

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 20 October 2020 and were signed on its behalf by:

C Denman - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

1. STATUTORY INFORMATION

Denman & Sons Builders Merchants 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.

The company's functional and presentational currency in the financial statements is the sterling (£), rounded to the nearest pounds.

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

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.

There has been no materials departures from Financial Reporting Standard FRS 102 1A.

Going concern

The directors are satisfied that despite the Coronavirus pandemic, it is appropriate for the company's financial statements to be prepared on a going concern basis. The pandemic has resulted in a number of uncertainties arising and the directors have taken steps to minimise the effect on the company and will continue to do so. In the circumstances they have concluded that no adjustments are required to the financial statements at this time.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods, 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.

| | |
|-----------------------|---------------------------|
| Land and Property | - 2 - 4% reducing balance |
| Plant and machinery | - 25% on reducing balance |
| Fixtures and Fittings | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 25% on reducing balance |

Stocks

Stocks are valued at the lower of cost and net selling price less costs to sell, after making due allowance for obsolete and slow moving items.

Current tax

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020

2. ACCOUNTING POLICIES - continued

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.

Non-derivative financial instruments

Basic financial instruments are recognised at amortised cost.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 (2019 - 24) .

4. TANGIBLE FIXED ASSETS

| | Land and Property £ | Plant and machinery £ | Fixtures and Fittings £ |
|------------------------|---------------------------|-----------------------------|----------------------------------|
| COST | | | |
| At 1 February 2019 | 504,272 | 147,480 | 552 |
| Disposals | - | - | - |
| At 31 January 2020 | <u>504,272</u> | <u>147,480</u> | <u>552</u> |
| DEPRECIATION | | | |
| At 1 February 2019 | 106,490 | 79,798 | 138 |
| Charge for year | 7,956 | 16,920 | 104 |
| Eliminated on disposal | - | - | - |
| At 31 January 2020 | <u>114,446</u> | <u>96,718</u> | <u>242</u> |
| NET BOOK VALUE | | | |
| At 31 January 2020 | <u>389,826</u> | <u>50,762</u> | <u>310</u> |
| At 31 January 2019 | <u>397,782</u> | <u>67,682</u> | <u>414</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020

4. TANGIBLE FIXED ASSETS - continued

| | Motor vehicles £ | Computer equipment £ | Totals £ |
|------------------------|------------------------|----------------------------|----------------|
| COST | | | |
| At 1 February 2019 | 140,479 | 62,512 | 855,295 |
| Disposals | (5,500) | - | (5,500) |
| At 31 January 2020 | <u>134,979</u> | <u>62,512</u> | <u>849,795</u> |
| DEPRECIATION | | | |
| At 1 February 2019 | 102,597 | 56,737 | 345,760 |
| Charge for year | 9,463 | 1,443 | 35,886 |
| Eliminated on disposal | (4,503) | - | (4,503) |
| At 31 January 2020 | <u>107,557</u> | <u>58,180</u> | <u>377,143</u> |
| NET BOOK VALUE | | | |
| At 31 January 2020 | <u>27,422</u> | <u>4,332</u> | <u>472,652</u> |
| At 31 January 2019 | <u>37,882</u> | <u>5,775</u> | <u>509,535</u> |

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 164,910 | 149,266 |
| Prepayments and accrued income | <u>14,187</u> | <u>8,040</u> |
| | <u>179,097</u> | <u>157,306</u> |

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|---------------------------------|----------------|----------------|
| Bank loans and overdrafts | 11,408 | 11,218 |
| Hire purchase contracts | 24,249 | 25,882 |
| Trade creditors | 164,845 | 236,855 |
| Corporation tax | 39,246 | - |
| Social security and other taxes | 8,087 | 7,108 |
| VAT | 27,532 | 30,808 |
| Credit card | 431 | - |
| Directors' current accounts | 62,053 | 172,166 |
| Accrued expenses | <u>2,541</u> | <u>1,237</u> |
| | <u>340,392</u> | <u>485,274</u> |

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Bank loans - 2-5 years | 45,630 | 44,872 |
| Bank loans - more than 5 years | 59,636 | 68,664 |
| Hire purchase contracts | <u>36,852</u> | <u>59,895</u> |
| | <u>142,118</u> | <u>173,431</u> |

Amounts falling due in more than five years:

| | | |
|--------------------------------|---------------|---------------|
| Repayable by instalments | | |
| Bank loans - more than 5 years | <u>59,636</u> | <u>68,664</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020**8. SECURED DEBTS**

The following secured debts are included within creditors:

| | 2020 | 2019 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Bank loans | 116,674 | 124,754 |
| Hire purchase contracts | 61,101 | 85,777 |
| | <u>177,775</u> | <u>210,531</u> |

The mortgage is secured by way of a fixed and floating charge over all current and future assets of the company.

The hire purchase liability is secured over the associated asset.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2020 | 2019 |
|---------|----------|-------------------|---------------|---------------|
| | | | £ | £ |
| 10,000 | Ordinary | £1 | <u>10,000</u> | <u>10,000</u> |

10. RELATED PARTY DISCLOSURES

During the year the company sold goods to the directors at a cost price of £15,040 (2019: £22,774).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.