

Unaudited Financial Statements for the Year Ended 31 March 2023

for

Hugh Pearl (Land Drainage) Limited

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for the Year Ended 31 March 2023

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Hugh Pearl (Land Drainage) Limited

Company Information
for the Year Ended 31 March 2023

DIRECTORS:

J Tolhurst
A Rowell
R Ward
A Hynds
Mrs K J Read
S M Bray

SECRETARY:

L Pearl

REGISTERED OFFICE:

New Farm
Bobbingworth
Ongar
Essex
CM5 0DJ

REGISTERED NUMBER:

00558951 (England and Wales)

ACCOUNTANTS:

Hardcastle Burton LLP
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

Hugh Pearl (Land Drainage) Limited (Registered number: 00558951)

Abridged Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	4		1,644,631		1,235,812
Investments	5		<u>100</u>		<u>100</u>
			1,644,731		1,235,912
CURRENT ASSETS					
Stocks		59,079		96,452	
Debtors		644,450		780,120	
Cash at bank and in hand		<u>832,784</u>		<u>971,238</u>	
		1,536,313		1,847,810	
CREDITORS					
Amounts falling due within one year		<u>314,952</u>		<u>491,230</u>	
NET CURRENT ASSETS			<u>1,221,361</u>		<u>1,356,580</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,866,092		2,592,492
CREDITORS					
Amounts falling due after more than one year			(175,362)		(26,667)
PROVISIONS FOR LIABILITIES			(227,676)		(235,498)
PENSION ASSET/(LIABILITY)	9		<u>299,250</u>		<u>(322,500)</u>
NET ASSETS			<u>2,762,304</u>		<u>2,007,827</u>
CAPITAL AND RESERVES					
Called up share capital	7		1,500		1,500
Revaluation reserve	8		350,742		359,510
Retained earnings			<u>2,410,062</u>		<u>1,646,817</u>
SHAREHOLDERS' FUNDS			<u>2,762,304</u>		<u>2,007,827</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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 notes form part of these financial statements

Abridged Balance Sheet - continued
31 March 2023

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

All the members have consented to the preparation of an abridged Balance Sheet for the year ended 31 March 2023 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 4 August 2023 and were signed on its behalf by:

J Tolhurst - Director

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Hugh Pearl (Land Drainage) 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.

Preparation of consolidated financial statements

The financial statements contain information about Hugh Pearl (Land Drainage) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold land - nil

Freehold property - 50 years

Office equipment - 3, 4 & 5 years

Plant & machinery - 5-10 years less estimated residual value

Motor vehicles - 5-6 years less estimated residual value

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and loans 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. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

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.

The company previously operated a defined benefit pension scheme. A liability for the company's obligations under the pension plan is recognised net of plan assets. Pension plan assets are measured at fair value and the defined benefit obligation is measured at present value using the projected unit cost method. Formal actuarial valuations are performed every 3 years, the most recent of which was dated 31 December 2018. An informal actuarial valuation was carried out based upon actual membership at 31 March 2021 and the accounts have been updated to reflect this.

Under the Recovery Plan dated 30 March 2017, the employer is required to make a contribution of £72,000 payable annually in arrears for a period of 15 years from the date of the plan.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2022 - 30) .

4. TANGIBLE FIXED ASSETS

	Totals £
COST	
At 1 April 2022	3,237,078
Additions	635,980
Disposals	(149,893)
At 31 March 2023	<u>3,723,165</u>
DEPRECIATION	
At 1 April 2022	2,001,266
Charge for year	194,693
Eliminated on disposal	(117,425)
At 31 March 2023	<u>2,078,534</u>
NET BOOK VALUE	
At 31 March 2023	<u>1,644,631</u>
At 31 March 2022	<u>1,235,812</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Totals £
COST	
At 1 April 2022	153,000
Additions	365,000
Transfer to ownership	(49,000)
At 31 March 2023	<u>469,000</u>
DEPRECIATION	
At 1 April 2022	41,582
Charge for year	38,850
Transfer to ownership	(20,783)
At 31 March 2023	<u>59,649</u>
NET BOOK VALUE	
At 31 March 2023	<u>409,351</u>
At 31 March 2022	<u>111,418</u>

5. **FIXED ASSET INVESTMENTS**

Information on investments other than loans is as follows:

	Totals £
COST	
At 1 April 2022 and 31 March 2023	<u>100</u>
NET BOOK VALUE	
At 31 March 2023	<u>100</u>
At 31 March 2022	<u>100</u>

Investments in subsidiaries are carried at cost less impairment.

6. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.23 £	31.3.22 £
Hire purchase contracts	<u>261,030</u>	<u>61,972</u>

The company has no title to the assets on hire purchase until it has paid the required amounts to the lender in full.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23 £	31.3.22 £
1,500	Ordinary	1	<u>1,500</u>	<u>1,500</u>

8. RESERVES

	Revaluation reserve £
At 1 April 2022	359,510
Transfer deferred tax on revaluation reserve	2,923
Transfer depreciation on revaluation reserve	<u>(11,691)</u>
At 31 March 2023	<u>350,742</u>

9. EMPLOYEE BENEFIT OBLIGATIONS

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.3.23 £	31.3.22 £
Present value of funded obligations	(2,549,000)	(3,476,000)
Fair value of plan assets	<u>2,948,000</u>	<u>3,046,000</u>
	399,000	(430,000)
Present value of unfunded obligations	-	-
Surplus/(Deficit)	399,000	(430,000)
Deferred tax (liability)/asset	<u>(99,750)</u>	<u>107,500</u>
Net asset/(liability)	<u>299,250</u>	<u>(322,500)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	31.3.23 £	31.3.22 £
Current service cost	-	-
Net interest from net defined benefit asset/liability	11,000	15,000
Past service cost	<u>-</u>	<u>-</u>
	<u>11,000</u>	<u>15,000</u>
Expected return on plan assets	<u>87,000</u>	<u>64,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. EMPLOYEE BENEFIT OBLIGATIONS - continued

The expected return on plan assets is included within the net interest from net defined benefit asset/liability above.

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Opening defined benefit obligation	3,476,000	3,599,000
Interest cost	98,000	79,000
Expenses	(8,000)	(12,000)
Benefits paid	(44,000)	(36,000)
Remeasurements:		
Actuarial (gains)/losses from changes in financial assumptions	(1,107,000)	(288,000)
Experience adjustments	134,000	134,000
	<u>2,549,000</u>	<u>3,476,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Opening fair value of scheme assets	3,046,000	2,902,000
Contributions by employer	72,000	72,000
Expenses	(8,000)	(12,000)
Expected return	87,000	64,000
Benefits paid	(44,000)	(36,000)
Return on plan assets (excluding interest income)	(205,000)	56,000
	<u>2,948,000</u>	<u>3,046,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Actuarial (gains)/losses from changes in financial assumptions	1,107,000	288,000
Experience adjustments	(134,000)	(134,000)
Return on plan assets (excluding interest income)	(205,000)	56,000
	<u>768,000</u>	<u>210,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
Equities	51.90%	32.56%
Fixed interest	38.40%	12.71%
Cash	2.00%	1.87%
Other	7.70%	52.86%
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	31.3.23	31.3.22
Discount rate	4.80%	2.85%
Future pension increases	3.70%	3.70%
Inflation rate	3.55%	3.65%
Future rate of revaluation of deferred pensions	3.55%	3.65%

10. RELATED PARTY DISCLOSURES

At the balance sheet date, the company owes £6,814 (2022: £6,827) to companies within the group.

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.