

COMPANY REGISTRATION NUMBER: 01403576

**CARR BROTHERS U.K. LIMITED**

**FILLETED UNAUDITED FINANCIAL STATEMENTS**

**31 December 2020**

# **CARR BROTHERS U.K. LIMITED**

## **STATEMENT OF FINANCIAL POSITION**

**31 December 2020**

|  |             | <b>2020</b> |           | <b>2019</b> |            |
|--|-------------|-------------|-----------|-------------|------------|
|  | <b>Note</b> | <b>£</b>    | <b>£</b>  | <b>£</b>    | <b>£</b>   |
| <b>FIXED ASSETS</b>  |             |             |           |             |            |
| Tangible assets  | <b>5</b>    | 2,769,412   |           | 2,660,202   |            |
| <b>CURRENT ASSETS</b>  |             |             |           |             |            |
| Debtors  | <b>6</b>    | 611,624     |           | 540,252     |            |
| Cash at bank and in hand                                       |             | 131,331     |           | 35,776      |            |
|  |             | -----       |           | -----       |            |
|  |             | 742,955     |           | 576,028     |            |
| <b>CREDITORS: amounts falling due within one year</b>          |             |             |           |             |            |
|  | <b>7</b>    | 644,889     |           | 898,810     |            |
|  |             | -----       |           | -----       |            |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>                        |             |             | 98,066    |             | ( 322,782) |
|  |             |             | -----     |             | -----      |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |             |             | 2,867,478 |             | 2,337,420  |
| <b>CREDITORS: amounts falling due after more than one year</b> |             |             |           |             |            |
|  | <b>8</b>    |             | 322,890   |             | 333,783    |
| <b>PROVISIONS</b>  |             | 276,262     |           | 184,665     |            |
|  |             | -----       |           | -----       |            |
| <b>NET ASSETS</b>  |             | 2,268,326   |           | 1,818,972   |            |
|  |             | -----       |           | -----       |            |
| <b>CAPITAL AND RESERVES</b>                                    |             |             |           |             |            |
| Called up share capital  |             |             | 3         |             | 3          |
| Non distributable reserve                                      |             | 1,608,991   |           | 1,549,201   |            |
| Profit and loss account  |             | 659,332     |           | 269,768     |            |
|  |             | -----       |           | -----       |            |
| <b>SHAREHOLDERS FUNDS</b>                                      |             | 2,268,326   |           | 1,818,972   |            |
|  |             | -----       |           | -----       |            |

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 Section 1A of 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 December 2020 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 .

# **CARR BROTHERS U.K. LIMITED**

## **STATEMENT OF FINANCIAL POSITION** *(continued)*

### **31 December 2020**

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

Mr L D Carr

Mr S W Carr

Director

Director

Company registration number: 01403576

# **CARR BROTHERS U.K. LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

### **1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Poplar Farm, Chelveston, Northants, NN10 0SU.

### **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.

#### **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.

#### **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.

#### **Income tax**

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. 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.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

**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:

|                       |   |                      |
|-----------------------|---|----------------------|
| Plant & Machinery     | - | 25% reducing balance |
| Office Equipment      | - | 15% reducing balance |
| Vehicles and Trailers | - | 20% reducing balance |
| Computer Equipment    | - | 33% straight line    |

**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.

**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.

## Defined contribution plans

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 22 (2019: 23 ).

## 5. TANGIBLE ASSETS

|                          | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures and<br>fittings<br>£ | Vehicles and<br>trailers<br>£ | Equipment<br>£ | Total<br>£       |
|--------------------------|---------------------------|-----------------------------|-------------------------------|-------------------------------|----------------|------------------|
| <b>Cost or valuation</b> |                           |                             |                               |                               |                |                  |
| At 1 Jan 2020            | 2,493,734                 | 119,110                     | 1,200                         | 825,481                       | 15,513         | 3,455,038        |
| Additions                | —                         | —                           | —                             | 16,124                        | 1,698          | 17,822           |
| Disposals                | —                         | —                           | —                             | ( 310,289)                    | —              | ( 310,289)       |
| Revaluations             | —                         | —                           | —                             | 150,000                       | —              | 150,000          |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |
| <b>At 31 Dec 2020</b>    | <b>2,493,734</b>          | <b>119,110</b>              | <b>1,200</b>                  | <b>681,316</b>                | <b>17,211</b>  | <b>3,312,571</b> |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |
| <b>Depreciation</b>      |                           |                             |                               |                               |                |                  |
| At 1 Jan 2020            | —                         | 99,144                      | 676                           | 683,562                       | 11,454         | 794,836          |
| Charge for the year      | —                         | 6,136                       | 72                            | 27,518                        | 1,917          | 35,643           |
| Disposals                | —                         | —                           | —                             | ( 287,320)                    | —              | ( 287,320)       |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |
| <b>At 31 Dec 2020</b>    | <b>—</b>                  | <b>105,280</b>              | <b>748</b>                    | <b>423,760</b>                | <b>13,371</b>  | <b>543,159</b>   |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |
| <b>Carrying amount</b>   |                           |                             |                               |                               |                |                  |
| <b>At 31 Dec 2020</b>    | <b>2,493,734</b>          | <b>13,830</b>               | <b>452</b>                    | <b>257,556</b>                | <b>3,840</b>   | <b>2,769,412</b> |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |
| At 31 Dec 2019           | 2,493,734                 | 19,966                      | 524                           | 141,919                       | 4,059          | 2,660,202        |
|                          | -----                     | -----                       | -----                         | -----                         | -----          | -----            |

## 6. DEBTORS

|   | <b>2020</b>    | 2019           |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| Trade debtors   | 523,594        | 489,356        |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 43,088         | —              |
| Other debtors   | 44,942         | 50,896         |
|   | -----          | -----          |
|   | <b>611,624</b> | <b>540,252</b> |
|   | -----          | -----          |

The company has an ongoing debt financing arrangement whereby it receives a proportion of the value of sales invoices in advance. Advances are disclosed in the balance sheet as current liabilities and the gross amount of the financial debtors is included in trade debtors.

#### **7. CREDITORS: amounts falling due within one year**

|                                 | <b>2020</b>    | <b>2019</b>    |
|---------------------------------|----------------|----------------|
|                                 | <b>£</b>       | <b>£</b>       |
| Bank loans and overdrafts       | 342,849        | 340,139        |
| Trade creditors                 | 97,413         | 196,221        |
| Corporation tax                 | 15,918         | 13,131         |
| Social security and other taxes | 75,528         | 82,633         |
| Connected company loan          | —              | 110,049        |
| Other creditors                 | 113,181        | 156,637        |
|                                 | -----          | -----          |
|                                 | <b>644,889</b> | <b>898,810</b> |
|                                 | -----          | -----          |

Included in bank loans and overdrafts, as disclosed above, are advances in respect of financial debtors of £294,149 (2019 - £314,003) which are secured against the debtors ledger.

The remaining bank loans and overdrafts liabilities are secured by a legal charge over the company's assets.

Included within other creditors are amounts totalling £14,501 (2019 - £14,474) relating to hire purchase and finance lease agreements which are secured by the company.

#### **8. CREDITORS: amounts falling due after more than one year**

|                           | <b>2020</b>    | <b>2019</b>    |
|---------------------------|----------------|----------------|
|                           | <b>£</b>       | <b>£</b>       |
| Bank loans and overdrafts | 313,357        | 313,345        |
| Other creditors           | 9,533          | 20,438         |
|                           | -----          | -----          |
|                           | <b>322,890</b> | <b>333,783</b> |
|                           | -----          | -----          |

The bank loans and overdrafts liability, as disclosed above, are secured by a legal charge over the company's assets. Of the amounts shown above £165,101 (2019 - £193,743) is payable by instalments which are due for payment after more than five years from the reporting date.

Included within other creditors are amounts totalling £9,533 (2019 - £20,438) relating to hire purchase and finance lease agreements which are secured by the company.

#### **9. OPERATING LEASES**

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

|  | <b>2020</b>    | <b>2019</b>    |
|--|----------------|----------------|
|  | <b>£</b>       | <b>£</b>       |
| Not later than 1 year                        | 371,119        | 275,816        |
| Later than 1 year and not later than 5 years | 318,180        | 400,868        |
|  | -----          | -----          |
|  | <b>689,299</b> | <b>676,684</b> |
|  | -----          | -----          |

#### **10. RELATED PARTY TRANSACTIONS**

During the year the company undertook the following transactions with related parties: A director advanced monies to the company. At 31 December 2020 the amount due from the company amounted to £75,507 (2019 - £119,663). A director was advanced monies from the company. At 31 December 2020 the amount due to the company amounted to £25,843.



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