

Company Registration No. 05460715 (England and Wales)

G D PARVIN PAINTERS & DECORATORS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

PAGES FOR FILING WITH REGISTRAR

G D PARVIN PAINTERS & DECORATORS LIMITED

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G D PARVIN PAINTERS & DECORATORS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	5		768		1,639
Current assets					
Stocks		4,503		7,762	
Debtors	6	155,352		184,804	
Cash at bank and in hand		2,269		40,349	
		<u>162,124</u>		<u>232,915</u>	
Creditors: amounts falling due within one year	7	<u>(245,677)</u>		<u>(189,626)</u>	
Net current (liabilities)/assets			<u>(83,553)</u>		<u>43,289</u>
Total assets less current liabilities			<u>(82,785)</u>		<u>44,928</u>
Creditors: amounts falling due after more than one year	8		(78,433)		(76,539)
Provisions for liabilities			<u>(146)</u>		<u>(320)</u>
Net liabilities			<u>(161,364)</u>		<u>(31,931)</u>
Capital and reserves					
Called up share capital	9		4		4
Profit and loss reserves			<u>(161,368)</u>		<u>(31,935)</u>
Total equity			<u>(161,364)</u>		<u>(31,931)</u>

The director of the company has elected not to include a copy of the profit and loss account 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 director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

G D PARVIN PAINTERS & DECORATORS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2020

The financial statements were approved and signed by the director and authorised for issue on 22 June 2021

G D Parvin
Director

Company Registration No. 05460715

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Company information

G D Parvin Painters & Decorators Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1-7 Station Road, Crawley, West Sussex, RH10 1HT.

1.1 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" ("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.

1.2 Going concern

At the Balance Sheet date the company is technically insolvent. However, the director has indicated he will continue to support the day to day working capital of the company through his provision of an interest free loan. On this basis, the director considers the accounts to be prepared on a going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for painting and decorating services, and any associated materials, provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

1.5 Intangible fixed assets other than goodwill

Intangible assets comprise website development costs. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 5 years. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Plant and machinery	4 years straight line
Computer equipment	3 years straight line
Motor vehicles	4 years straight line

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

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.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

1.8 Stocks

Work in progress comprises costs associated with the unbilled stage of completion of each project at the year end. Work in progress is valued at the lower of cost and net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets 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.

1.10 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 in the company's balance sheet 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 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 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.

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.

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and loans, 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.

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

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.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.13 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.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

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

	2020 Number	2019 Number
Total	4	6

4 Intangible fixed assets

	Goodwill £	Website £	Total £
Cost			
At 1 October 2019 and 30 September 2020	16,000	23,980	39,980
Amortisation and impairment			
At 1 October 2019 and 30 September 2020	16,000	23,980	39,980
Carrying amount			
At 30 September 2020	-	-	-
At 30 September 2019	-	-	-

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 October 2019 and 30 September 2020	49,560
Depreciation and impairment	
At 1 October 2019	47,921
Depreciation charged in the year	871
At 30 September 2020	48,792
Carrying amount	
At 30 September 2020	768
At 30 September 2019	1,639

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	74,329	72,682
Corporation tax recoverable	8,583	-
Other debtors	68,695	108,634
Prepayments and accrued income	3,745	3,488
	155,352	184,804

Other debtors includes a loan given to third parties in 2017 of £182,875. Interest of £6,695 (2019: £9,370) was charged on this loan during the year. At the year end, third parties owed the company £68,695 (2019: £105,981) in respect of this loan.

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans	3,333	-
Trade creditors	11,365	28,214
Corporation tax	-	36,931
Other taxation and social security	81,513	47,900
Other creditors	149,466	76,581
	245,677	189,626

G D PARVIN PAINTERS & DECORATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

8 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans and overdrafts		46,667	-
Other creditors		31,766	76,539
		<u>78,433</u>	<u>76,539</u>

The bank loan has been made under the Coronavirus Bounce Back Loan Scheme, which is 100% guaranteed by the government. Interest is charged at a fixed annual rate of 2.5%. Interest for the first 12 months is paid by the government and no capital repayments are due for the first 12 months.

Other creditors consist of a loan from a lender of £203,775 from 2017. Interest of £7,448 (2019: £10,441) was paid in respect of this loan during this financial year. The loan is repayable within 5 years, £44,774 of this loan is included in other creditors due within one year and the loan is secured over the assets of the company.

Amounts included above which fall due after five years are as follows:

Payable by instalments	6,667	-
	<u>6,667</u>	<u>-</u>

9 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	1	1
1 Ordinary A share of £1 each	1	1
1 Ordinary B share of £1 each	1	1
1 Ordinary C share of £1 each	1	1
	<u>4</u>	<u>4</u>

10 The impact of Coronavirus COVID-19

COVID-19 has caused widespread lockdown measures to be imposed in the UK and worldwide. This has resulted in a reduction in both supply and demand in the economy.

Due to restrictions imposed as a result of the pandemic, and the corresponding operational difficulties, the company experienced a downturn in activities, which is reflected in the results for the year to 30 September 2020. Trade did, however, pick up towards the year-end, a trend which has since continued, and forecasts suggest that sales for the year-ended 30 September 2021 will be similar to those for the year ended 30 September 2019.

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.