

COMPANY REGISTRATION NUMBER: 10865114

Burnt Orange Construction Ltd

Filleted Unaudited Financial Statements

31 January 2021

Burnt Orange Construction Ltd

Statement of Financial Position

31 January 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6		257,541		263,354
Current assets					
Stocks		21,850		—	
Debtors	7	1,255,308		971,726	
Cash at bank and in hand		9,995		17,974	
		1,287,153		989,700	
Creditors: amounts falling due within one year	8	874,162		1,242,564	
Net current assets/(liabilities)			412,991		(252,864)
Total assets less current liabilities			670,532		10,490
Creditors: amounts falling due after more than one year	9		731,123		159,684
Net liabilities			(60,591)		(149,194)
Capital and reserves					
Called up share capital	10		201		201
Profit and loss account			(60,792)		(149,395)
Shareholders deficit			(60,591)		(149,194)

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 income and retained earnings has not been delivered.

For the year ending 31 January 2021 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 .

Burnt Orange Construction Ltd

Statement of Financial Position *(continued)*

31 January 2021

These financial statements were approved by the board of directors and authorised for issue on 1 September 2021
, and are signed on behalf of the board by:

Mr A Gordon

Mr P Reed

Director

Director

Company registration number: 10865114

Burnt Orange Construction Ltd

Notes to the Financial Statements

Year ended 31 January 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 19 Juliet Way, Purfleet, South Ockendon, RM15 4YD, England.

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.

Going concern

The directors have considered the impact of the covid-19 pandemic in their assessment of the company's ability to prepare accounts as a going concern. Because of the uncertainties surrounding the effects of the economic slowdown it is difficult to predict the impact on the company and its customers, but having taken all the factors into account, the directors are of the opinion that the company has sufficient resources to continue trading for the next 12 months from the date of signing these accounts.

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.

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 and machinery	-	25% straight line
Fixtures and fittings	-	20% straight line
Motor vehicles	-	20% reducing balance

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. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Average number of employees

During the year the average number of employees was 2 (2020: 2), which consisted of the directors only.

5. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2021	2020
	£	£
Dividends on equity shares	21,000	—

During the year the company paid dividends in excess of its distributable profit in contravention of section 830 of the Companies Act 2006. The directors were not aware that this had occurred at the time the dividend was paid. The error occurred owing to a miscalculation of the profit. The shareholder is aware of his responsibilities.

6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 February 2020	14,693	750	373,393	388,836
Additions	4,414	—	45,425	49,839
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At 31 January 2021	19,107	750	418,818	438,675
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Depreciation				
At 1 February 2020	4,688	463	120,331	125,482
Charge for the year	4,133	150	51,369	55,652
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At 31 January 2021	8,821	613	171,700	181,134
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Carrying amount				
At 31 January 2021	10,286	137	247,118	257,541
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At 31 January 2020	10,005	287	253,062	263,354
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7. Debtors

	2021 £	2020 £
Trade debtors	664,885	754,702
Amounts owed by related undertakings	15,825	—
Other debtors	574,598	217,024
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	1,255,308	971,726
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Included in other debtors is an amount of £350,000 (2020: nil) which represents amounts recoverable under contracts.

8. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	6,667	—
Trade creditors	382,382	706,106
Accruals and deferred income	26,495	—
Social security and other taxes	4,349	2,934
Obligations under finance leases and hire purchase contracts	74,785	54,926
Director loan accounts	—	13,422
Other creditors	379,484	465,176
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	874,162	1,242,564
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9. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	43,333	—
Amounts owed to related undertakings	564,084	33,000
Obligations under finance leases and hire purchase contracts	123,706	126,684
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	731,123	159,684
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10. Called up share capital**Issued, called up and fully paid**

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	200	200	200	200
Ordinary Class B shares of £ 1 each	1	1	1	1
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	201	201	201	201
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11. Directors' advances, credits and guarantees

There is balance owed to the company by the director at the year end of £3,793 (2020 owed to the director £13,422). The maximum balance outstanding during the year was £8,039. There was no interest charged on this loan and it was repaid shortly after the year end.

12. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2021	2020	2021	2020
	£	£	£	£
Related Parties	1,188,963	1,898,644	(397,796)	(434,140)
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The above transactions represent the net of sales and purchases with related parties in the year.

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.