

THE REC HORSHAM LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

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UNAUDITED ACCOUNTS
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THE REC HORSHAM LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	4	59,611	47,861
Current assets			
Inventories	5	11,101	3,063
Debtors	6	48,068	47,906
Cash at bank and in hand		2,211	1,623
		<u>61,380</u>	<u>52,592</u>
Creditors: amounts falling due within one year	7	(262,119)	(164,155)
Net current liabilities		<u>(200,739)</u>	<u>(111,563)</u>
Total assets less current liabilities		(141,128)	(63,702)
Creditors: amounts falling due after more than one year	8	(1,423)	(2,134)
Net liabilities		<u>(142,551)</u>	<u>(65,836)</u>
Capital and reserves			
Called up share capital	9	3	3
Profit and loss account		(142,554)	(65,839)
Shareholders' funds		<u>(142,551)</u>	<u>(65,836)</u>

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2020 and were signed on its behalf by

Nicholas McDowell
Director

Company Registration No. 11244100

THE REC HORSHAM LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

1 Statutory information

The Rec Horsham Limited is a private company, limited by shares, registered in England and Wales, registration number 11244100. The registered office is 2 Albion Way, Horsham, West Sussex, RH12 1AU, ENGLAND.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency

The accounts are presented in £ sterling.

Going concern

The accounts have been prepared on the going concern basis. The directors' consider the going concern assumption to be valid as a result of their expectation of future profitable trading and the provision of the directors ongoing support and commitment to the company to make funds available to enable the company to meet its liabilities as they fall due.

No adjustments have been made to these accounts and specifically to the recoverable value of fixed assets should this assumption not be valid.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover from the sale of goods is recognised when goods have been delivered to customers such that risks and rewards of ownership have transferred to them.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Plant & machinery	20% straight line
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Inventories

Inventories have been valued at the lower of cost and estimated selling price less costs to complete and sell.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

Pension costs

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the profit and loss account when due.

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Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

4 Tangible fixed assets

	Plant & machinery £
Cost or valuation	At cost
At 1 April 2019	52,732
Additions	25,016
At 31 March 2020	77,748
Depreciation	
At 1 April 2019	4,871
Charge for the year	13,266
At 31 March 2020	18,137
Net book value	
At 31 March 2020	59,611
At 31 March 2019	47,861

5 Inventories

	2020 £	2019 £
Finished goods	11,101	3,063
	11,101	3,063

6 Debtors

	2020 £	2019 £
Trade debtors	-	13,156
Accrued income and prepayments	35,667	34,750
Other debtors	12,401	-
	48,068	47,906

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7 Creditors: amounts falling due within one year	2020	2019
	£	£
Bank loans and overdrafts	58,252	58,003
Obligations under finance leases and hire purchase contracts	7,711	7,711
Trade creditors	34,311	26,435
Taxes and social security	42,064	24,606
Other creditors	-	345
Loans from directors	88,144	45,955
Accruals	31,637	1,100
	<u>262,119</u>	<u>164,155</u>
8 Creditors: amounts falling due after more than one year	2020	2019
	£	£
Obligations under finance leases and hire purchase contracts	1,423	2,134
9 Share capital	2020	2019
	£	£
Allotted, called up and fully paid:		
3 Ordinary £1 shares of £1 each	3	3
10 Operating lease commitments	2020	2019
	£	£
At 31 March 2020 the company has total minimum future payment commitments under non-cancellable operating leases as follows:		
Operating leases expiring:		
Within one year	54,755	48,846
Within two to five years	262,898	242,514
More than five years	118,836	191,247
	<u>436,489</u>	<u>482,607</u>

11 Transactions with related parties

During the year, the company entered into a number of transactions with Stuart Green, a director and shareholder of the company. During the year Mr S Green advanced monies to the company of £14,786 (2019 - £39,575) and was repaid monies in the amount of £2,000 (2019 - £2,701). The amount owed by the company to Mr S Green at 31 March 2020 was £49,660 (2019 - £36,874). The loans are interest free and repayable on demand.

During the year, the company entered into a number of transactions with Mr G Kempster, a director and shareholder of the company. During the year Mr G Kempster advanced monies to the company of £7,815 (2019 - £18,113) and was repaid monies in the amount of £nil (2019 - £26,911). The amount owed by Mr G Kempster to the company at 31 March 2020 was £983 (2019 - £8,798). The loans are interest free and repayable on demand.

During the year, the company entered into a number of transactions with Mr N McDowell, a director and shareholder of the company. During the year Mr N McDowell advanced monies to the company of £21,370 (2019 - £95,148) and was repaid monies in the amount of £68,660 (2019 - £77,270). Mr N McDowell also charged the company a consultancy fee in the year of £68,880 (2019 - £nil). The amount owed by the company to Mr N McDowell at 31 March 2020 was £39,468 (2019 - £17,878). The loans are interest free and repayable on demand.

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12 Post balance sheet events

Following the balance sheet date there continues to be an outbreak of the COVID-19 virus reaching the level of a global pandemic as defined by the World Health Organisation (WHO).

In response to the economic issues surrounding the pandemic, management have responded by managing the business in a balanced way to protect the interests of all stakeholders during this challenging period.

The safety and wellbeing of the company staff is the key priority. Management have undertaken to redeploy or furlough employees where possible, taking advantage of the UK Government financial support in this regard.

By utilising various financial support schemes offered by the UK Government and the revised protocols put in place during the lockdown period, the company has been able to continue trading albeit at a reduced but sustainable level.

Management are constantly monitoring the situation and responding swiftly where necessary.

13 Average number of employees

During the year the average number of employees was 18 (2019: 14).

