

**JOHNSON BROS.
COAL FACTORS LIMITED**

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 OCTOBER 2022

MHA
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

**JOHNSON BROS.
COAL FACTORS LIMITED (REGISTERED NUMBER: 00761527)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 OCTOBER 2022**

	Page
Company Information	1
Balance Sheet	2 to 3
Notes to the Financial Statements	4 to 10

**JOHNSON BROS.
COAL FACTORS LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 24 OCTOBER 2022**

DIRECTORS:

R A Johnson
M Johnson
V H Johnson

REGISTERED OFFICE:

Bynea House
Ground Floor, East Wing
Heol Y Bwlch, Bynea
Llanelli
SA14 9SU

REGISTERED NUMBER:

00761527 (England and Wales)

ACCOUNTANTS:

MHA
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

BANKERS:

Barclays Bank Plc
1-6 Pocketts Wharf
Swansea
SA1 3XL

**JOHNSON BROS.
COAL FACTORS LIMITED (REGISTERED NUMBER: 00761527)**

**BALANCE SHEET
24 OCTOBER 2022**

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	5		323,371		269,836
Investments	6		7,000		7,000
Investment property	7		<u>4,447,530</u>		<u>4,447,530</u>
			<u>4,777,901</u>		<u>4,724,366</u>
CURRENT ASSETS					
Stocks		51,497		56,497	
Debtors	8	1,225,845		1,226,668	
Cash at bank and in hand		<u>26,675</u>		<u>117,667</u>	
		<u>1,304,017</u>		<u>1,400,832</u>	
CREDITORS					
Amounts falling due within one year	9	<u>637,075</u>		<u>632,835</u>	
NET CURRENT ASSETS			<u>666,942</u>		<u>767,997</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,444,843</u>		<u>5,492,363</u>
CREDITORS					
Amounts falling due after more than one year	10		(677,507)		(814,290)
PROVISIONS FOR LIABILITIES			<u>(284,886)</u>		<u>(284,884)</u>
NET ASSETS			<u><u>4,482,450</u></u>		<u><u>4,393,189</u></u>
CAPITAL AND RESERVES					
Called up share capital			500		500
Retained earnings - non distributable	12		2,162,110		2,162,110
Retained earnings			<u>2,319,840</u>		<u>2,230,579</u>
SHAREHOLDERS' FUNDS			<u><u>4,482,450</u></u>		<u><u>4,393,189</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 24 October 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 24 October 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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

**BALANCE SHEET - continued
24 OCTOBER 2022**

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

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 9 May 2023 and were signed on its behalf by:

V H Johnson - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 OCTOBER 2022**

1. STATUTORY INFORMATION

Johnson Bros. Coal Factors 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.

The presentation currency of the financial statements is the pound sterling (£) and these have been rounded to the nearest pound.

2. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

The company has both net current assets and net assets at the balance sheet date and has made a profit in the year. However, the company is reliant upon the support of its directors, who have indicated that they will continue to support the company personally.

Therefore, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the financial statements

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022

3. ACCOUNTING POLICIES - continued

Significant judgements and 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 if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the income statement.

Stock provisions

Stock holdings are assessed for indicators of obsolescence at each balance sheet date. If there is objective evidence of obsolescence, a provision is recognised in the income statement.

Provisions and contingencies

Provisions are recognised when the company has a present obligation as a result of a past event and a reliable estimate can be made of a probable adverse outcome. Otherwise, material contingent liabilities are disclosed unless a transfer of economic benefits is considered remote. Contingent assets are only disclosed if an inflow of economic benefits is probable.

Turnover and revenue recognition

Turnover is the amount derived from ordinary activities and stated after VAT. Revenue relates to rental income and other income including insurance recharged and service charge income. Revenue is recognised evenly over the period to which it relates. Revenue is invoiced in advance and at the balance sheet date amounts in advance are recorded as deferred income and included as part of creditors due within one year.

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 property	- 2% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Tangible fixed assets are measured at cost less depreciation.

Investment properties

The company's investment properties, as defined by the Financial Reporting Standard 102 Section 1A "Small Entities" accordingly, are not depreciated. Investment properties for which fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value annually, with the change recognised in the income statement. Surpluses or deficits on revaluation are then transferred from Retained Earnings to a separate non-distributable reserve.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost, less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022

3. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

The company's land and buildings are treated as an investment property, as defined by the Financial Reporting Standard 102 Section 1A "Small Entities" accordingly, they are not depreciated. Investment properties are measured at fair value annually, with the change recognised in the income statement. Surpluses or deficits on revaluation are then transferred from Retained Earnings to a separate non-distributable reserve.

Stocks

Stocks are valued at the lower of cost and estimated selling price less selling costs, after making due allowance for obsolete and slow moving items.

Financial instruments

Basic financial assets, which include trade debtors, other debtors and cash at bank balances, are initially measured at transaction price 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.

Basic financial liabilities, including trade, other creditors and bank 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.

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022

3. ACCOUNTING POLICIES - continued

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.

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.

Government grants

Grants are credited to deferred revenue when entitlement to the grant has been established. Grants towards capital expenditure are credited to deferred income and released to the income statement over the expected useful life of the assets. Grants towards revenue expenditure are released to the income statement as the related expenditure is incurred.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 5 (2021 - 6) .

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 25 October 2021	320,680	226,427	547,107
Additions	-	73,328	73,328
At 24 October 2022	<u>320,680</u>	<u>299,755</u>	<u>620,435</u>
DEPRECIATION			
At 25 October 2021	73,341	203,930	277,271
Charge for year	6,413	13,380	19,793
At 24 October 2022	<u>79,754</u>	<u>217,310</u>	<u>297,064</u>
NET BOOK VALUE			
At 24 October 2022	<u>240,926</u>	<u>82,445</u>	<u>323,371</u>
At 24 October 2021	<u>247,339</u>	<u>22,497</u>	<u>269,836</u>

The net book value of tangible fixed assets includes £65,351 (2021:- £18,150) in respect of assets held under hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022

6. FIXED ASSET INVESTMENTS

	2022 £	2021 £
Shares in group undertakings	100	100
Other investments not loans	<u>6,900</u>	<u>6,900</u>
	<u>7,000</u>	<u>7,000</u>

Additional information is as follows:

	Shares in group undertakings £
COST	
At 25 October 2021 and 24 October 2022	<u>100</u>
NET BOOK VALUE	
At 24 October 2022	<u>100</u>
At 24 October 2021	<u>100</u>

Investments (neither listed nor unlisted) were as follows:

	2022 £	2021 £
Other investments	<u>6,900</u>	<u>6,900</u>

7. INVESTMENT PROPERTY

FAIR VALUE

	Total £
At 25 October 2021 and 24 October 2022	<u>4,447,530</u>
NET BOOK VALUE	
At 24 October 2022	<u>4,447,530</u>
At 24 October 2021	<u>4,447,530</u>

If the Investment properties had not been revalued they would have been included at the following historical cost:

	2021 £	2020 £
Cost	<u>2,321,215</u>	<u>2,321,215</u>

Investment properties were valued at fair value, subject to the existing leases, by the directors at the balance sheet date with reference to a valuation on one of its properties by Savills, Chartered Surveyors.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	72,346	59,802
Amounts owed by group undertakings	1,095,557	1,100,911
Other debtors	57,942	65,955
	<u>1,225,845</u>	<u>1,226,668</u>

Amounts owed by group undertakings are repayable on demand. Interest is charged on the balance at 3.5% above bank base rate per annum.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	7,200	2,000
Hire purchase contracts	23,056	9,675
Trade creditors	71,591	92,540
Taxation and social security	98,608	80,388
Other creditors	436,620	448,232
	<u>637,075</u>	<u>632,835</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans	37,507	45,786
Hire purchase contracts	-	8,504
Other creditors	640,000	760,000
	<u>677,507</u>	<u>814,290</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more than 5 years	<u>8,707</u>	<u>24,186</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Hire purchase contracts	<u>23,056</u>	<u>18,179</u>

Obligations under hire purchase contracts are secured on the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 24 OCTOBER 2022

12. **RESERVES**

	Retained earnings - non distributable £
At 25 October 2021 and 24 October 2022	<u>2,162,110</u>

13. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date there was unpaid contribution of £177 (2021:- £215) due to the fund.

14. **TRANSACTIONS WITH DIRECTORS**

At the balance sheet date the directors were owed £759,756 (2021:- £1,007,600).

The directors' loans are interest free, unsecured and have no fixed repayment date other than £640,000 (2021:- £760,000) is not repayable until after more than one year.

K Johnson (Deceased) ceased his appointment as a director on 3 January 2023.

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.