

J. W. Lodge & Sons Limited
Filleted Unaudited Financial Statements
31 January 2021



EDMUND CARR LLP
Chartered Accountants
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Essex
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J. W. Lodge & Sons Limited

Statement of Financial Position

31 January 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	6	1,181,930	1,346,515
Current assets			
Stocks		56,094	78,833
Debtors	7	111,802	228,578
Cash at bank and in hand		286,938	234,327
		<u>454,834</u>	<u>541,738</u>
Creditors: amounts falling due within one year	8	<u>431,313</u>	<u>600,705</u>
Net current assets/(liabilities)		23,521	(58,967)
Total assets less current liabilities		1,205,451	1,287,548
Creditors: amounts falling due after more than one year	9	176,391	182,815
Provisions	10	165,138	174,306
Net assets		<u>863,922</u>	<u>930,427</u>
Capital and reserves			
Called up share capital	11	4,998	4,998
Profit and loss account		858,924	925,429
Shareholders funds		<u>863,922</u>	<u>930,427</u>

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.

The statement of financial position
continues on the following page.

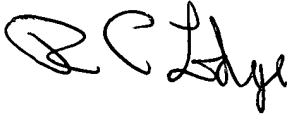
The notes on pages 3 to 7 form part of these financial statements.

J. W. Lodge & Sons Limited

Statement of Financial Position *(continued)*

31 January 2021

These financial statements were approved by the board of directors and authorised for issue on 20 October 2021, and are signed on behalf of the board by:



Mr R C Lodge
Director

Company registration number: 01090571

The notes on pages 3 to 7 form part of these financial statements.

J. W. Lodge & Sons Limited

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 The Garage, High Easter, Chelmsford, Essex, CM1 4QT.

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 represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

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.

J. W. Lodge & Sons Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2021

3. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

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.

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:

Garage, Building, Offices & Stores	-	6% straight line
Equipment	-	15 - 25% Reducing balance
Coaches & Motor Vehicles	-	15 - 25% 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.

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.

J. W. Lodge & Sons Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2021

3. Accounting policies *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a 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.

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 28 (2020: 32).

J. W. Lodge & Sons Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2021

5. Tax on (loss)/profit

Major components of tax (income)/expense

	2021 £	2020 £
Deferred tax:		
Origination and reversal of timing differences	(9,169)	23,156
Tax on (loss)/profit	<u>(9,169)</u>	<u>23,156</u>

6. Tangible assets

	Freehold buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 February 2020	594,223	196,931	2,110,689	2,901,843
Additions	–	13,445	96,000	109,445
Disposals	–	–	(249,650)	(249,650)
At 31 January 2021	<u>594,223</u>	<u>210,376</u>	<u>1,957,039</u>	<u>2,761,638</u>
Depreciation				
At 1 February 2020	345,406	124,188	1,085,734	1,555,328
Charge for the year	28,250	12,424	140,100	180,774
Disposals	–	–	(156,394)	(156,394)
At 31 January 2021	<u>373,656</u>	<u>136,612</u>	<u>1,069,440</u>	<u>1,579,708</u>
Carrying amount				
At 31 January 2021	<u>220,567</u>	<u>73,764</u>	<u>887,599</u>	<u>1,181,930</u>
At 31 January 2020	<u>248,817</u>	<u>72,743</u>	<u>1,024,955</u>	<u>1,346,515</u>

7. Debtors

	2021 £	2020 £
Trade debtors	47,878	134,349
Prepayments and accrued income	38,698	82,589
Other debtors	25,226	11,640
	<u>111,802</u>	<u>228,578</u>

J. W. Lodge & Sons Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2021

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts (secured)	17,500	21,098
Trade creditors	16,196	75,309
Accruals and deferred income	115,089	221,907
Social security and other taxes	28,381	20,077
Obligations under finance leases and hire purchase contracts	84,132	92,481
Director loan accounts	165,790	148,622
Other creditors	4,225	21,211
	<u>431,313</u>	<u>600,705</u>

9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts (secured)	45,833	14,297
Obligations under finance leases and hire purchase contracts	130,558	168,518
	<u>176,391</u>	<u>182,815</u>

10. Provisions

	Deferred tax
	£
At 1 February 2020	174,306
Additions	(9,168)
At 31 January 2021	<u>165,138</u>

11. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>4,998</u>	<u>4,998</u>	<u>4,998</u>	<u>4,998</u>

12. Related party transactions

At the year end the company owed the directors £165,790 (2020: £148,622) by way of a directors loan account.