

Company Registration No. 01280790 (England and Wales)

PARAGON CONTRACTS LIMITED
PARAGON FLOORING
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019
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PARAGON CONTRACTS LIMITED
PARAGON FLOORING
BALANCE SHEET

AS AT 31 OCTOBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		14,287		33,133
Current assets					
Stocks		24,666		33,708	
Debtors	4	890,476		971,131	
Cash at bank and in hand		97,511		83,258	
		<u>1,012,653</u>		<u>1,088,097</u>	
Creditors: amounts falling due within one year	5	<u>(148,515)</u>		<u>(202,748)</u>	
Net current assets			864,138		885,349
Total assets less current liabilities			<u>878,425</u>		<u>918,482</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves	7		878,325		918,382
Total equity			<u>878,425</u>		<u>918,482</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

The notes on pages 2 - 6 form an integral part of these financial statements.

For the financial year ended 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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 in accordance with the provisions applicable to companies subject to the small companies' regime and FRS102 Section 1A.

The financial statements were approved and signed by the director and authorised for issue on 17 July 2020

L Wilshire
Director

Company Registration No. 01280790

PARAGON CONTRACTS LIMITED
PARAGON FLOORING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

1 Accounting policies

Company information

Paragon Contracts Limited is a private company limited by shares incorporated in England and Wales. The registered office is 60 Chapel View, Croydon, Surrey, CR2 7LJ.

The principal activity of the company was that of flooring contractors.

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 time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

1.4 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:

Fixtures, fittings & equipment	25% straight Line
IT equipment	25% straight Line
Motor vehicles	25% Straight Line

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.

1.5 Financial instruments

The company only enters into basic financial transactions that result in recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from bank and other third parties, loans to related parties and investments in non-puttable ordinary shares.

PARAGON CONTRACTS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2019

1 Accounting policies

(Continued)

1.6 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.7 Pension

Defined contribution pension plan

The Company operates a defined contribution pension plan for its employees. A defined contribution pension plan is a plan under which the Company pays fixed contributions into separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the company are held separately from the Company in an independently administered fund.

1.8 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 is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date.

1.9 Lease

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 lease s asset are consumed.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2019

2 Employees

The average monthly number of persons employed by the company during the year was 6 (2018 - 5).

	2019 Number	2018 Number
Employees	6	5
	<u>6</u>	<u>5</u>

3 Tangible fixed assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 November 2018 and 31 October 2019	16,078	113,721	129,799
	<u>16,078</u>	<u>113,721</u>	<u>129,799</u>
Depreciation and impairment			
At 1 November 2018	15,625	81,041	96,666
Depreciation charged in the year	453	18,393	18,846
	<u>15,625</u>	<u>81,041</u>	<u>96,666</u>
At 31 October 2019	16,078	99,434	115,512
	<u>16,078</u>	<u>99,434</u>	<u>115,512</u>
Carrying amount			
At 31 October 2019	-	14,287	14,287
	<u>-</u>	<u>14,287</u>	<u>14,287</u>
At 31 October 2018	453	32,680	33,133
	<u>453</u>	<u>32,680</u>	<u>33,133</u>

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	225,866	321,326
Other debtors	658,851	644,706
	<u>884,717</u>	<u>966,032</u>
	2019 £	2018 £
Amounts falling due after more than one year:		
Deferred tax asset (note)	5,759	5,099
	<u>5,759</u>	<u>5,099</u>
Total debtors	<u>890,476</u>	<u>971,131</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2019

4 Debtors

(Continued)

The director considers the carrying value of trade and other receivables approximate to their fair values.

Included in other debtors is an amount of £648,476 (2018: £644,706) due from Paragon Flooring Limited.

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Obligations under finance leases	-	6,165
Trade creditors	119,816	88,631
Corporation tax	19,486	51,885
Other taxation and social security	6,873	21,874
Other creditors	2,340	8,014
Accruals and deferred income	-	26,179
	<u>148,515</u>	<u>202,748</u>

The director considers the carrying amounts of current liabilities approximate to their fair values.

6 Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £13,212 (2018 - £1,811). Contribution totalling £725 (2018 - £249) were payable to fund at balance sheet date and are included in other debtors.

7 Reserves

Profit and loss reserves

The Profit and loss account comprises all current and prior period retained profit and losses after deducting any distributions made to the company's shareholders. This is a distributable reserve.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
Within one year	9,000	9,000
Between two and five years	27,000	36,000
	<u>36,000</u>	<u>45,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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9 Events after the reporting date

Since the year end, the Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the company continues to operate using alternative methods and remote working. The directors are unable to evaluate the overall financial impact on the business at present. Hence financial statements do not include any adjustments that might result from the outcome of this uncertainty. The directors are continuing to monitor, assess and act to the current changing environment in order to position the company to ensure its future success.

10 Related party transactions

At the balance sheet date, included in other creditors, are amounts due to the director Mr. L Wilkshire of £415 (2018 -£226).

At the balance sheet date, included in other debtors is the amount due from Inter Co - P Flooring Ltd of £648,476 (2018- £644,706), a company in which Mr. L Wilkshire is director and shareholder.

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.