

Unaudited Financial Statements
for the Year Ended 31 October 2022
for
Paragon Contracts Limited

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for the Year Ended 31 October 2022

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Paragon Contracts Limited
Company Information
for the Year Ended 31 October 2022

DIRECTOR: L C Wilkshire

REGISTERED OFFICE: 60 Chapel View
Croydon
Surrey
CR2 7LJ

REGISTERED NUMBER: 01280790 (England and Wales)

ACCOUNTANTS: Ledger Sparks Limited
Airport House
Suite 43-45
Purley Way
Croydon
CR0 0XZ

Balance Sheet
31 October 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	4	26,164	13,374
CURRENT ASSETS			
Stocks		34,863	37,712
Debtors	5	986,566	1,039,359
Cash at bank		81,272	58,490
		<u>1,102,701</u>	<u>1,135,561</u>
CREDITORS			
Amounts falling due within one year	6	<u>(133,286)</u>	<u>(202,355)</u>
NET CURRENT ASSETS		<u>969,415</u>	<u>933,206</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		995,579	946,580
PROVISIONS FOR LIABILITIES	8	<u>(4,971)</u>	<u>(2,541)</u>
NET ASSETS		<u>990,608</u>	<u>944,039</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings	9	<u>990,508</u>	<u>943,939</u>
		<u>990,608</u>	<u>944,039</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

Balance Sheet - continued
31 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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 31 July 2023 and were signed by:

L C Wilkshire - Director

Notes to the Financial Statements
for the Year Ended 31 October 2022

1. **STATUTORY INFORMATION**

Paragon Contracts 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 (£).

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

2. **ACCOUNTING POLICIES**

BASIS OF PREPARING THE FINANCIAL STATEMENTS

TURNOVER

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

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 and fittings	-25% on cost
Motor vehicles	-25% on cost

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.

GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

STOCKS

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

2. **ACCOUNTING POLICIES - continued**

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.

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 leased asset are consumed.

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.

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.

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.

3. **EMPLOYEES AND DIRECTORS**

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

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

4. **TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 November 2021	17,910	44,014	61,924
Additions	-	24,211	24,211
Disposals	-	(8,000)	(8,000)
At 31 October 2022	<u>17,910</u>	<u>60,225</u>	<u>78,135</u>
DEPRECIATION			
At 1 November 2021	16,536	32,014	48,550
Charge for year	473	3,781	4,254
Eliminated on disposal	-	(833)	(833)
At 31 October 2022	<u>17,009</u>	<u>34,962</u>	<u>51,971</u>
NET BOOK VALUE			
At 31 October 2022	<u>901</u>	<u>25,263</u>	<u>26,164</u>
At 31 October 2021	<u>1,374</u>	<u>12,000</u>	<u>13,374</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	279,183	348,052
Amounts owed by group undertakings	630,136	637,598
Other debtors	77,247	53,709
	<u>986,566</u>	<u>1,039,359</u>

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

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade creditors	93,710	107,874
Taxation and social security	30,176	63,181
Other creditors	9,400	31,300
	<u>133,286</u>	<u>202,355</u>

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

7. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	<u>-</u>	<u>7,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2022

8. **PROVISIONS FOR LIABILITIES**

	2022	2021
	£	£
Deferred tax	<u>4,971</u>	<u>2,541</u>
		Deferred tax
		£
Balance at 1 November 2021		2,541
Provided during year		<u>2,430</u>
Balance at 31 October 2022		<u>4,971</u>

9. **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.

10. **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 £7,037 (2021 - £14,436).

Contribution totalling £1,601 (2021 - £2,827) were payable to fund at balance sheet date and are included in other creditors.

11. **RELATED PARTY DISCLOSURES**

At the balance sheet date, included in other creditors, are amounts due to the director of £404 (2021 - £10,100).

At the balance sheet date, included in debtors is the amount due from holding company of £630,136 (2021 - £637,598).

Parent company

Paragon Contracts Limited is a wholly owned subsidiary of Paragon Flooring Limited registered at 60 Chapel View, South Croydon, Surrey, CR2 7LJ.

The ultimate controlling party is considered to be Leslie Wilkshire by virtue of his directorship and sole shareholding in the ultimate parent company, Paragon Flooring Limited.

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.