Company Registration No. 01513555 (England and Wales)

A J MARSHALL (SPECIAL STEELS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

PAGES FOR FILING WITH REGISTRAR

A J MARSHALL (SPECIAL STEELS) LIMITED

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A J MARSHALL (SPECIAL STEELS) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Non-current assets					
Property, plant and equipment	**7**		17,505		27,857
Current assets					
Inventories	**8**	670,423		1,601,880	
Trade and other receivables	**9**	1,172,906		1,368,881	
Cash and cash equivalents		2,194,108		826,084	
		4,037,437		3,796,845	
Current liabilities	**10**	(2,280,178)		(2,398,847)	
Net current assets			1,757,259		1,397,998
Net assets			1,774,764		1,425,855
Equity					
Called up share capital	**11**		100,000		100,000
Retained earnings			1,674,764		1,325,855
Total equity			1,774,764		1,425,855

The director of the company has elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.
The notes on pages 11 - 19 form part of these financial statements.

The financial statements were approved and signed by the director and authorised for issue on 6 July 2021

Mr A Marshall
Director

Company Registration No. 01513555

A J MARSHALL (SPECIAL STEELS) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Share capital £	Retained earnings £	Total £
Balance at 1 February 2019		100,000	1,211,806	1,311,806
Year ended 31 January 2020:				
Profit and total comprehensive income for the year		-	314,049	314,049
Dividends		-	(200,000)	(200,000)
Balance at 31 January 2020		100,000	1,325,855	1,425,855
Year ended 31 January 2021:				
Profit and total comprehensive income for the year		-	348,909	348,909
Balance at 31 January 2021		100,000	1,674,764	1,774,764

1 Accounting policies

Company information
A J Marshall (Special Steels) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 89 Marston Moor Business Park, Rudgate, Tockwith, York, YO26 7QF.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 Revenue

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Property, plant and equipment

Property, plant and equipment 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:

Land and buildings Leasehold	Straight line over lease period (10 years)
Plant and machinery	12.5% - 25% straight line
Fixtures, fittings & equipment	10% - 25% straight line
Motor vehicles	20% or 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 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1 Accounting policies **(Continued)**

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.9 Taxation

The tax expense represents the sum of the tax currently payable.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The company operates a pension scheme whereby the company pays contibutions directly into personal pension plans on behalf of some of its employees. Contributions are charged to the profit and loss account in the period in which they are paid.

1.12 Leases

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.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating profit

Operating profit for the year is stated after charging/(crediting):	2021 £	2020 £
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(40)	-
Fees payable to the company's auditor for the audit of the company's financial statements	12,150	7,650
Depreciation of owned property, plant and equipment	10,887	21,052
Profit on disposal of property, plant and equipment	(20,502)	(2,670)
Operating lease charges	66,000	66,000

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Warehouse	14	14
Directors	1	-
Total	15	14

5 Director's remuneration

	2021 £	2020 £
Remuneration for qualifying services	13,641	8,632
Company pension contributions to defined contribution schemes	60,000	60,000
	73,641	68,632

6 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	78,457	73,678

6 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit before taxation	427,366	387,727
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	81,200	73,668
Depreciation added back	2,069	4,000
(Profit)/loss on sale of fixed assets	(3,896)	(507)
Capital allowances	(1,486)	(3,483)
Non-trade loan relationship credit	570	-
Taxation charge for the year	78,457	73,678

7 Property, plant and equipment

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2020	33,893	139,283	58,714	145,344	377,234
Additions	-	-	535	-	535
Disposals	-	-	-	(70,251)	(70,251)
At 31 January 2021	33,893	139,283	59,249	75,093	307,518
Depreciation and impairment					
At 1 February 2020	31,888	133,956	49,989	133,544	349,377
Depreciation charged in the year	1,003	2,509	3,575	3,800	10,887
Eliminated in respect of disposals	-	-	-	(70,251)	(70,251)
At 31 January 2021	32,891	136,465	53,564	67,093	290,013
Carrying amount					
At 31 January 2021	1,002	2,818	5,685	8,000	17,505
At 31 January 2020	2,005	5,327	8,725	11,800	27,857

8 Inventories

	2021	2020
	£	£
Finished goods and goods for resale	670,423	1,601,880

9 Trade and other receivables

	2021	2020
Amounts falling due within one year:	£	£
Trade receivables	1,046,983	1,236,858
Other receivables	101,765	102,457
Prepayments and accrued income	24,158	29,566
	1,172,906	1,368,881

10 Current liabilities

	2021	2020
	£	£
Trade payables	588,197	746,301
Amounts owed to group undertakings	271,462	473,934
Corporation tax	78,457	73,678
Other taxation and social security	233,433	239,751
Other payables	1,080,000	848,632
Accruals and deferred income	28,629	16,551
	2,280,178	2,398,847

11 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
100,000 ordinary shares at £1 each	100,000	100,000

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Chris Howitt.
The auditor was Henton & Co LLP.

13 Financial commitments, guarantees and contingent liabilities

The banking facilities are covered by a fixed and floating charge over the assets of the company in favour of National Westminster Bank Plc.

14 Operating lease commitments

Lessee
Operating lease payments are charged to profit or loss in the period to which they relate.

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

	2021	2020
	£	£
Within one year	69,420	66,165
Between two and five years	41,550	99,000
	110,970	165,165

15 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Provision of services in the year:	
	2021	2020
	£	£
Entities with control, joint control or significant influence over the company	300,000	300,000

The following amounts were outstanding at the reporting end date:

	2021	2020
Amounts due to related parties	£	£
Entities with control, joint control or significant influence over the company	271,462	473,933

16 Directors' transactions

Included in the balance sheet at the year end are loans due to the director, Mr A V Marshall of £1,080,000 (2020: £848,632). There were no terms connected with these loans.

17 Ultimate controlling party

The parent company of A J Marshall (Special Steels) Limited is A J Marshall (Holdings) Limited.

The ultimate controlling party is Mr A V Marshall, director of A J Marshall (Holdings) 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.