

Company Registration No. 01724137 (England and Wales)

Acrelane Timber Limited

**Unaudited financial statements
for the year ended 31 March 2020**

Pages for filing with the Registrar

Acrelane Timber Limited

Company information

Directors	Edward Crampsie Gerard Duke Bunty Shah
Secretary	Marianne Crampsie Susan Duke
Company number	01724137
Registered office	47-55 Acre Lane London SW2 5TN
Accountants	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank plc Broadgate 2 Leicester LE87 2BB

Acrelane Timber Limited

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Statement of financial position

As at 31 March 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		174,646		175,500
Investments	5		1,300		1,300
			<u>175,946</u>		<u>176,800</u>
Current assets					
Stocks		680,000		741,588	
Debtors	6	1,824,722		1,787,974	
Cash at bank and in hand		891,270		1,048,035	
		<u>3,395,992</u>		<u>3,577,597</u>	
Creditors: amounts falling due within one year	7	<u>(680,600)</u>		<u>(893,833)</u>	
Net current assets			<u>2,715,392</u>		<u>2,683,764</u>
Total assets less current liabilities			<u>2,891,338</u>		<u>2,860,564</u>
Provisions for liabilities			<u>(27,415)</u>		<u>(24,337)</u>
Net assets			<u><u>2,863,923</u></u>		<u><u>2,836,227</u></u>
Capital and reserves					
Called up share capital	8	40,000		40,000	
Profit and loss reserves		2,823,923		2,796,227	
Total equity		<u><u>2,863,923</u></u>		<u><u>2,836,227</u></u>	

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Statement of financial position (continued)

As at 31 March 2020

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

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their 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 and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 September 2020 and are signed on its behalf by:

Gerard Duke
Director

Company Registration No. 01724137

Acrelane Timber Limited

Notes to the financial statements For the year ended 31 March 2020

1 Accounting policies

Company information

Acrelane Timber Limited is a private company limited by shares incorporated in England and Wales. The registered office is 47-55 Acre Lane, London, SW2 5TN.

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, and in light of COVID-19, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. See note 10 for further information.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Tangible fixed assets are stated at cost less provision for depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% on a reducing balance basis
Fixtures, fittings & equipment	25% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

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 Accounting policies (continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

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.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.8 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 debtors, 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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 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.

Notes to the financial statements (continued)

For the year ended 31 March 2020

1 Accounting policies (continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 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 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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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 fixed 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.

1.12 Retirement benefits

The company makes contributions to a group personal pension scheme on behalf of its directors and employees. Contributions to the scheme are charged to the profit and loss account for the year in which they are payable.

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Notes to the financial statements (continued)
For the year ended 31 March 2020

1 Accounting policies (continued)

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 43 (2019: 42).

3 Directors' remuneration

	2020	2019
	£	£
Remuneration paid to directors	247,203	182,650

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2019: 2).

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Notes to the financial statements (continued)
For the year ended 31 March 2020

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2019	407,620
Additions	61,912
Disposals	(16,475)
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At 31 March 2020	453,057
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Depreciation and impairment	
At 1 April 2019	232,120
Depreciation charged in the year	58,463
Eliminated in respect of disposals	(12,172)
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At 31 March 2020	278,411
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Carrying amount	
At 31 March 2020	174,646
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At 31 March 2019	175,500
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Acrelane Timber Limited

Notes to the financial statements (continued)
For the year ended 31 March 2020

5 Fixed asset investments

	2020	2019
	£	£
Investments	1,300	1,300

Movements in fixed asset investments

	Investments other than loans
	£
Cost or valuation	
At 1 April 2019 & 31 March 2020	1,701
Impairment	
At 1 April 2019 & 31 March 2020	401
Carrying amount	
At 31 March 2020	1,300
At 31 March 2019	1,300

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	309,395	289,467
Corporation tax recoverable	67,997	64,790
Amounts owed by group undertakings	1,126,713	1,126,713
Other debtors	320,617	307,004
	1,824,722	1,787,974

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Notes to the financial statements (continued)

For the year ended 31 March 2020

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	445,740	532,566
Corporation tax	14,338	30,750
Other taxation and social security	169,122	168,093
Other creditors	51,400	162,424
	<u>680,600</u>	<u>893,833</u>

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>

9 Operating lease commitments

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

	2020	2019
	£	£
Within one year	40,887	40,887
Between two and five years	62,011	143,784
	<u>102,898</u>	<u>184,671</u>

10 Events after the reporting date

A strain of coronavirus (COVID-19) which was classified as a pandemic by the World Health Organization on 11 March 2020, has been impacting countries globally. The potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers.

The company and wider group have put necessary measures to mitigate against the effects of COVID-19 on its ability to continue as a going concern. The company have operating cash flows and management forecasts which do not provide any indication of material cash flow concerns. Except the above, there have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2020.

11 Related party transactions

Included within other debtors is an amount of £43,616 (2019: £44,504) due from Edward Crampsie and an amount of £2,317 (2019: £3,617) due from Gerard Duke both of whom were directors during the year. An amount of £10,866 (2019: £9,789) is due from James Crampsie, who resigned as director in the prior year. These amounts are unsecured, have no fixed repayment terms, and no interest is charged on the outstanding balances.

Also included in other debtors is an amount of £189,930 (2019: £189,930) due from B Mistry, a former director of the company who is beneficially interested in the share capital of the company's parent. The maximum amount outstanding during the year was £189,930. This amount is unsecured, has no fixed repayment terms, and no interest is charged on the outstanding balance.

During the year the company paid rent of £12,000 (2019: £12,000) to Acrelane Holdings Limited, the immediate parent company. At 31 March 2020 the company was owed £1,126,713 (2019: £1,126,713) by Acrelane Holdings Limited. This balance is repayable on demand, unsecured and non-interest bearing.

The company made sales of £10,428 (2019: £5,882) to, purchases of £4,554 (2019: £5,321) from, and received management fees of £67,597 (2019: £65,748) from, Acrelane Builders Merchants Limited, a company under common control.

12 Parent company

The immediate parent company of Acrelane Timber Limited is Acrelane Holdings Limited, a company incorporated in the United Kingdom, by virtue of its 100% shareholding.

The directors believe that there is no one ultimate controlling party.

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