

Premier Cutting Tools Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 October 2023

Premier Cutting Tools Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Unaudited Financial Statements	<u>3 to 7</u>

Premier Cutting Tools Limited

Company Information

Directors	A R Jones S P Hopkin
Registered office	Premier House Rugby Street Hull East Yorkshire HU3 4RB

Premier Cutting Tools Limited

(Registration number: 02048693)

Balance Sheet as at 31 October 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	4,886	6,515
Other financial assets	<u>5</u>	100	100
		<u>4,986</u>	<u>6,615</u>
Current assets			
Stocks	<u>6</u>	259,766	272,095
Debtors	<u>7</u>	431,464	467,469
Cash at bank and in hand		<u>705</u>	<u>704</u>
		691,935	740,268
Creditors: Amounts falling due within one year	<u>8</u>	<u>(465,750)</u>	<u>(497,261)</u>
Net current assets		<u>226,185</u>	<u>243,007</u>
Total assets less current liabilities		231,171	249,622
Provisions for liabilities		<u>(1,222)</u>	<u>(1,238)</u>
Net assets		<u>229,949</u>	<u>248,384</u>
Capital and reserves			
Called up share capital		48,100	48,100
Retained earnings		<u>181,849</u>	<u>200,284</u>
Shareholders' funds		<u>229,949</u>	<u>248,384</u>

For the financial year ending 31 October 2023 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 accounts for the year in question in accordance with section 476; and
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the Directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 26 February 2024 and signed on its behalf by:

.....
A R Jones

Director

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

Premier Cutting Tools Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2023

1 General information

The company is a private company limited by share capital incorporated in England and Wales and the company registration number is 02048693.

The address of its registered office is:

Premier House
Rugby Street
Hull
East Yorkshire
HU3 4RB

These financial statements were authorised for issue by the Board on 26 February 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

Revenue recognition

Turnover arises from the sale of goods. Turnover is measured at the fair value of the consideration received or receivable and represents amounts for the sale of goods in the normal course of business, net of discounts and other sales-related taxes.

Turnover from the sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods, which is when the goods are delivered to the customer.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met of each of the companies activities.

Government grants

Government grants which become 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 as income in the period in which they become receivable

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or

Premier Cutting Tools Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2023

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and Fittings	25% Reducing Balance
Motor Vehicles	25% Reducing Balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Premier Cutting Tools Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2023

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the Company (including Directors) during the year, was 10 (2022 - 10).

Premier Cutting Tools Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2023

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 November 2022	75,155	15,220	90,375
At 31 October 2023	75,155	15,220	90,375
Depreciation			
At 1 November 2022	68,893	14,967	83,860
Charge for the year	1,566	63	1,629
At 31 October 2023	70,459	15,030	85,489
Carrying amount			
At 31 October 2023	4,696	190	4,886
At 31 October 2022	6,262	253	6,515

5 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
Non-current financial assets		
Cost or valuation		
At 1 November 2022	100	100
At 31 October 2023	100	100
Impairment		
Carrying amount		
At 31 October 2023	100	100

6 Stocks

	2023 £	2022 £
Other inventories	259,766	272,095

Premier Cutting Tools Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2023

7 Debtors

		2023 £	2022 £
Current	Note		
Trade debtors		308,458	342,441
Amounts owed by related parties	<u>10</u>	117,244	119,625
Prepayments		5,762	5,403
		<u>431,464</u>	<u>467,469</u>

8 Creditors

Creditors: amounts falling due within one year

		2023 £	2022 £
Due within one year	Note		
Loans and borrowings	<u>9</u>	12,232	14,470
Trade creditors		256,606	288,418
Taxation and social security		28,951	32,150
Accruals and deferred income		4,000	8,821
Other creditors		163,961	153,402
		<u>465,750</u>	<u>497,261</u>

The bank overdraft and invoice financing creditor are secured by fixed and floating charges over all assets.

9 Loans and borrowings

	2023 £	2022 £
Current loans and borrowings		
Bank overdrafts	<u>12,232</u>	<u>14,470</u>

10 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to disclose related party transactions with wholly owned subsidiaries within the group.

11 Parent and ultimate parent undertaking

The Company's immediate parent is I & A Holdings Limited, incorporated in England & Wales.

These financial statements are available upon request from Premier House, Rugby Street, Hull, HU3 4RB.

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.