

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021
FOR
JOHN FARRINGTON & CO LIMITED

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FOR THE YEAR ENDED 31 MAY 2021**

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JOHN FARRINGTON & CO LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2021**

DIRECTOR: D J Farrington

SECRETARY: D J Farrington

REGISTERED OFFICE: 30 - 34 North Street
Hailsham
East Sussex
BN27 1DW

REGISTERED NUMBER: 02724561 (England and Wales)

ACCOUNTANTS: Watson Associates (Professional Services) Ltd
30 - 34 North Street
Hailsham
East Sussex
BN27 1DW

BALANCE SHEET
31 MAY 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	4	79,115	65,507
CURRENT ASSETS			
Stocks		28,000	10,500
Debtors	5	833,472	624,847
Cash at bank and in hand		462,528	549,935
		<u>1,324,000</u>	<u>1,185,282</u>
CREDITORS			
Amounts falling due within one year	6	<u>(399,028)</u>	<u>(238,809)</u>
NET CURRENT ASSETS		<u>924,972</u>	<u>946,473</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,004,087	1,011,980
CREDITORS			
Amounts falling due after more than one year	7	<u>-</u>	<u>(9,458)</u>
NET ASSETS		<u>1,004,087</u>	<u>1,002,522</u>
CAPITAL AND RESERVES			
Called up share capital	9	126	120
Share premium		14,988	7,494
Retained earnings		988,973	994,908
SHAREHOLDERS' FUNDS		<u>1,004,087</u>	<u>1,002,522</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 MAY 2021

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 Comprehensive Income has not been delivered.

The financial statements were approved by the director and authorised for issue on 8 October 2021 and were signed by:

D J Farrington - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

1. STATUTORY INFORMATION

John Farrington & Co 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and estimation uncertainty

No significant judgements have had to be made by management in preparing these financial statements.

There were no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

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

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. When the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes in effect a financing transaction, the fair value of the consideration is measured as the present value of all future receipts determined using an imputed rate of interest, normally the rate that discounts the nominal amount of consideration to the cash sales price.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities of the actual completion of a proportion of the total services to be rendered.

When the outcome of a service contract cannot be estimated reliably the company only recognises revenue to the extent of the recoverable expenses recognised.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 33% on reducing balance
Motor vehicles	- 25% on reducing balance

Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, and loans to related parties.

Debt instruments that are payable or receivable within one year, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received; other debt instruments are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is an 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2020 - 11) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 June 2020	5,566	38,511	132,069	176,146
Additions	1,879	1,059	52,884	55,822
Disposals	-	-	(50,662)	(50,662)
At 31 May 2021	<u>7,445</u>	<u>39,570</u>	<u>134,291</u>	<u>181,306</u>
DEPRECIATION				
At 1 June 2020	4,705	31,445	74,489	110,639
Charge for year	274	2,681	23,735	26,690
Eliminated on disposal	-	-	(35,138)	(35,138)
At 31 May 2021	<u>4,979</u>	<u>34,126</u>	<u>63,086</u>	<u>102,191</u>
NET BOOK VALUE				
At 31 May 2021	<u>2,466</u>	<u>5,444</u>	<u>71,205</u>	<u>79,115</u>
At 31 May 2020	<u>861</u>	<u>7,066</u>	<u>57,580</u>	<u>65,507</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 June 2020	47,427
Additions	38,134
At 31 May 2021	<u>85,561</u>
DEPRECIATION	
At 1 June 2020	12,447
Charge for year	18,279
At 31 May 2021	<u>30,726</u>
NET BOOK VALUE	
At 31 May 2021	<u>54,835</u>
At 31 May 2020	<u>34,980</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	477,149	232,559
Amounts owed by group undertakings	356,323	392,288
	<u>833,472</u>	<u>624,847</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts	28,600	8,515
Trade creditors	199,013	102,922
Taxation and social security	158,982	114,939
Other creditors	12,433	12,433
	<u>399,028</u>	<u>238,809</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts	<u>-</u>	<u>9,458</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Hire purchase contracts	<u>28,600</u>	<u>17,973</u>

Hire purchase liabilities are secured on the relevant asset funded under the agreement.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
114	Ordinary 'A' Shares	£1	114	114
12	Ordinary 'B' Shares	£1	<u>12</u>	<u>6</u>
			<u>126</u>	<u>120</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021**

10. RELATED PARTY DISCLOSURES

During the year the company paid management charges of £24,000 (2020 - £24,000) to JDRF Holdings Limited, a company that owns 100% of the share capital.

At the balance sheet date an amount of £426,323 (2020: £392,288 payable) was owed to the company from JDRF Holdings Limited.

11. GOVERNMENT GRANTS

Other income includes amounts received from the Government's Coronavirus Job Retention Scheme. The income is received in the form of grants.

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.