

Steffco Limited

Company Registration Number 3234103

Annual Report and Financial Statements

Year ended 30 September 2020

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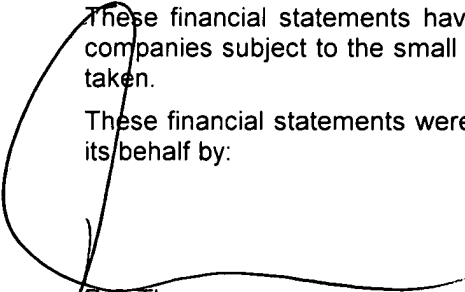
Brown Butler
Chartered Accountants
Leeds

Balance Sheet	1
Notes to the Financial Statements	2 to 6

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	5	1,354,612	1,411,622
Current assets			
Stocks	6	26,355	22,203
Debtors	7	1,799,641	2,159,479
Cash at bank and in hand		<u>1,658,935</u>	<u>771,731</u>
		3,484,931	2,953,413
Creditors: Amounts falling due within one year	8	<u>(1,842,169)</u>	<u>(1,575,163)</u>
Net current assets		<u>1,642,762</u>	<u>1,378,250</u>
Total assets less current liabilities		2,997,374	2,789,872
Creditors: Amounts falling due after more than one year	8	(571,863)	(437,138)
Provisions for liabilities		<u>(244,775)</u>	<u>(231,705)</u>
Net assets		<u>2,180,736</u>	<u>2,121,029</u>
Capital and reserves			
Called up share capital	11	250,000	250,000
Profit and loss account		<u>1,930,736</u>	<u>1,871,029</u>
		<u>2,180,736</u>	<u>2,121,029</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These financial statements were approved and authorised for issue by the Board on 26 Feb 2021 and signed on its behalf by:


P G Thompson
Director

1 General information

Steffco Limited is a private company limited by shares and incorporated in England and Wales under company number 3234103.

The address of its registered office and principal place of business is:

78 Armley Road
Armley
Leeds
LS12 2EJ

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 (2018) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling.

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

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions 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 fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and rewards of ownership have been transferred to them.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. If at the balance sheet date completion of the contract is dependent on external factors, then the revenue is recognised only when the event occurs. In such cases direct costs incurred up to the balance sheet date plus an overhead rate are recognised as revenue to the extent that they are recoverable.

Government grants

Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Pension contributions

The Company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

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.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only 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. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Leasehold improvements	over life of lease
Plant and equipment	6.6% to 33.3% straight line basis
Computers, fixtures and fittings	7.5% to 50% straight line basis and 25% reducing balance basis
Motor vehicles	20% to 33.3% straight line basis

Investments

Fixed assets investments are stated at cost less any provision for diminution.

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and an appropriate proportion of overhead expenses.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

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.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

3 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	13,504	12,590
Other fees payable to auditor:		
All other non-audit services	7,580	2,785

4 Employees

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

	2020 No.	2019 No.
Employees	<u>57</u>	<u>52</u>

5 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Computers, fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2019	400,156	2,420,847	536,615	56,500	3,414,118
Additions	30,866	438,819	9,116	4,763	483,564
Disposals	<u>-</u>	<u>(1,094,015)</u>	<u>-</u>	<u>(20,300)</u>	<u>(1,114,315)</u>
At 30 September 2020	<u>431,022</u>	<u>1,765,651</u>	<u>545,731</u>	<u>40,963</u>	<u>2,783,367</u>
Depreciation					
At 1 October 2019	391,500	1,117,090	482,334	11,572	2,002,496
Charge for the year	8,023	147,460	30,620	18,994	205,097
Eliminated on disposal	<u>-</u>	<u>(758,538)</u>	<u>-</u>	<u>(20,300)</u>	<u>(778,838)</u>
At 30 September 2020	<u>399,523</u>	<u>506,012</u>	<u>512,954</u>	<u>10,266</u>	<u>1,428,755</u>
Net book value					
At 30 September 2019	<u>8,656</u>	<u>1,303,757</u>	<u>54,281</u>	<u>44,928</u>	<u>1,411,622</u>
At 30 September 2020	<u>31,499</u>	<u>1,259,639</u>	<u>32,777</u>	<u>30,697</u>	<u>1,354,612</u>

6 Stocks

	2020 £	2019 £
Other inventories	<u>26,355</u>	<u>22,203</u>

7 Debtors

	2020 £	2019 £
Trade debtors	695,963	699,630
Amounts owed from group undertakings	840,774	973,047
Other debtors	187,042	422,186
Prepayments and accrued income	75,862	64,616
	<u>1,799,641</u>	<u>2,159,479</u>

8 Creditors:

Amounts falling due within one year

	2020 £	2019 £
Finance lease liabilities	277,036	251,869
Trade creditors	554,703	877,480
Social security and other taxes	196,212	39,892
Other creditors	716	15,609
Corporation tax	80,774	-
Accruals and deferred income	732,728	390,313
	<u>1,842,169</u>	<u>1,575,163</u>

Amounts falling due after more than one year

Finance lease liabilities	519,093	437,138
Deferred income	52,770	-
	<u>571,863</u>	<u>437,138</u>

9 Loans

	2020 £	2019 £
Non-current loans and borrowings		
Finance lease liabilities	<u>519,093</u>	<u>437,138</u>
	2020 £	2019 £
Current loans and borrowings		
Finance lease liabilities	<u>277,036</u>	<u>251,869</u>

10 Security

Hire purchase creditors totalling £796,129 (2019: £689,007) are secured by the finance company's title to the assets financed, which have a carrying value of £1,243,732 (2019: £1,081,053).

11 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
'A' Ordinary shares of £1 each	175,000	175,000	175,000	175,000
'B' Ordinary shares of £1 each	12,500	12,500	12,500	12,500
'C' Ordinary shares of £1 each	50,000	50,000	50,000	50,000
'D' Ordinary shares of £1 each	12,500	12,500	12,500	12,500
	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

12 Financial commitments

The total financial commitments which are not included in the balance sheet amount to £340,415 (2019: £418,800).

13 Audit information

The option not to file the Audit Report has been taken. However, the following information is relevant:

- The report was unqualified; and
- There were no matters to which the auditor drew attention by way of emphasis.

The auditors were Brown Butler and the senior statutory auditor, who signed the report, was James R White.