

Leather Taylor Limited

Financial Statements for the Year Ended 31st March 2021

Leather Taylor Limited (Registered number: 03469597)

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for the Year Ended 31st March 2021**

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Leather Taylor Limited

Company Information for the Year Ended 31st March 2021

DIRECTORS:

C P Field
L Gustar
G Leather
A H Medley
P C Taylor
R A Leather

REGISTERED OFFICE:

4 High Street
Alton
Hampshire
GU34 1BU

REGISTERED NUMBER:

03469597 (England and Wales)

ACCOUNTANTS:

Sheen Stickland
Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

Leather Taylor Limited (Registered number: 03469597)**Balance Sheet
31st March 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		127,902		142,902
Tangible assets	5		<u>917,839</u>		<u>938,585</u>
			1,045,741		1,081,487
CURRENT ASSETS					
Stocks		32,929		22,777	
Debtors	6	774,089		795,449	
Cash at bank and in hand		<u>787,971</u>		<u>402,843</u>	
		1,594,989		1,221,069	
CREDITORS					
Amounts falling due within one year	7	<u>406,101</u>		<u>319,696</u>	
NET CURRENT ASSETS			<u>1,188,888</u>		<u>901,373</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,234,629		1,982,860
CREDITORS					
Amounts falling due after more than one year	8		-		(50,911)
PROVISIONS FOR LIABILITIES			(2,462)		(2,805)
ACCRUALS AND DEFERRED INCOME			<u>(38,829)</u>		<u>(39,583)</u>
NET ASSETS			<u><u>2,193,338</u></u>		<u><u>1,889,561</u></u>

The notes form part of these financial statements

Balance Sheet - continued
31st March 2021

	Notes	2021 £	£	2020 £	£
CAPITAL AND RESERVES					
Called up share capital	10		14,063		11,793
Share premium	11		101,600		74,870
Capital redemption reserve	11		42,098		42,098
Share based payments	11		30,000		-
Retained earnings	11		2,005,577		1,760,800
SHAREHOLDERS' FUNDS			<u>2,193,338</u>		<u>1,889,561</u>

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

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

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

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 Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 1st December 2021 and were signed on its behalf by:

R A Leather - Director

A H Medley - Director

**Notes to the Financial Statements
for the Year Ended 31st March 2021**

1. STATEMENT OF COMPLIANCE

Leather Taylor Limited is a private company, limited by shares, incorporated in England and Wales. The address of the registered office is 4 High Street, Alton, Hampshire, GU34 1BU. The registration number is 03469597.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The financial statements have been prepared under the historical cost convention.

Covid-19 has had no material impact on the company during the 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.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1999, is being amortised evenly over its estimated useful life of thirty years.

The directors consider that the nature and longevity of the Company's business supports the goodwill being written off over 30 years. This policy is reviewed annually.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost and reducing balance
Plant and machinery	- 20% on cost
Fernhill plant and machinery	- 20% reducing balance
Motor vehicles	- 20% on cost

Land for which capital grants relates to is being depreciated over 70 years.

Stocks

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when Leather Taylor Limited becomes party to the contractual provisions of the financial instrument.

Cash and cash equivalents

These comprise cash at bank and other short term liquid investments.

Debtors

Short term debtors are stated at their nominal value. Loans receivable are measured initially at their nominal value and are measured subsequently at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the Profit and loss account when there is objective evidence that the asset is impaired.

Creditors

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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.

Grants

Capital grants are accounted for when all conditions have been met to receive them. The grants are treated as deferred income and are written off over the life of the related asset.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2021

2. ACCOUNTING POLICIES - continued

Share based payments - equity settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date of grant and is recognised as an expense over the vesting period. Where there is no vesting period the transaction is recognised in full in the year the option is granted.

Fair value is determined by an external valuer, Sheen Stickland, using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting or non vesting conditions.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 14 (2020 - 20) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st April 2020 and 31st March 2021	<u>457,902</u>
AMORTISATION	
At 1st April 2020	315,000
Charge for year	<u>15,000</u>
At 31st March 2021	<u>330,000</u>
NET BOOK VALUE	
At 31st March 2021	<u>127,902</u>
At 31st March 2020	<u>142,902</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2021

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1st April 2020	1,178,812	518,097	1,696,909
Additions	5,261	3,883	9,144
At 31st March 2021	<u>1,184,073</u>	<u>521,980</u>	<u>1,706,053</u>
DEPRECIATION			
At 1st April 2020	270,462	487,862	758,324
Charge for year	20,174	9,716	29,890
At 31st March 2021	<u>290,636</u>	<u>497,578</u>	<u>788,214</u>
NET BOOK VALUE			
At 31st March 2021	<u>893,437</u>	<u>24,402</u>	<u>917,839</u>
At 31st March 2020	<u>908,350</u>	<u>30,235</u>	<u>938,585</u>

Included in land and buildings is land costing £168,403 (2020: £168,403) which is not depreciated.

The directors have considered the value of freehold properties in the balance sheet and are satisfied that the aggregate value is not less than the aggregate amount at which they are stated in the company's accounts.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	212,067	230,669
Other debtors	388	173
Secured Loan	557,000	560,000
Founder loans	3	3
Prepayments and accrued income	4,631	4,604
	<u>774,089</u>	<u>795,449</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2021**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	50,911	118,484
Trade creditors	206,216	99,991
Tax	124,869	73,194
Social security and other taxes	13,009	16,166
Other creditors	1,896	2,661
Accrued expenses	9,200	9,200
	<u>406,101</u>	<u>319,696</u>

Included in Other creditors is the pensions creditor balance as at 31st March 2021 of £1,666 (2020: £1,947).

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

	2021	2020
	£	£
Bank loans - 1-2 years	<u>-</u>	<u>50,911</u>

9. SECURED DEBTS

The bank loan is secured against the freehold properties and is also secured by a fixed and floating charge over all assets held at present and in the future.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2021**

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
1,206,313 (2020 - 1,179,313)	Ordinary	£0.01	12,063	11,793
10,000 (2020 - NIL)	A Ordinary	10p	1,000	-
10,000 (2020 - NIL)	B Ordinary	10p	1,000	-
			<u>14,063</u>	<u>11,793</u>

Allotted and issued:

Number:	Class:	Nominal value:	2021 £	2020 £
10,000 (2020 - NIL)	A Ordinary	10p	1,000	-
10,000 (2020 - NIL)	B Ordinary	10p	1,000	-
			<u>2,000</u>	<u>-</u>

27,000 Ordinary shares of £0.01 were issued during the year for cash of £27,000.

10,000 A shares of £0.10 were issued during the year for cash of £1,000.

10,000 B shares of £0.10 were issued during the year for cash of £1,000.

11. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Share based payments £	Totals £
At 1st April 2020	1,760,800	74,870	42,098	-	1,877,768
Profit for the year	435,420	-	-	-	435,420
Dividends	(215,643)	-	-	-	(215,643)
Cash share issue	-	26,730	-	-	26,730
Share based payments	25,000	-	-	30,000	55,000
At 31st March 2021	<u>2,005,577</u>	<u>101,600</u>	<u>42,098</u>	<u>30,000</u>	<u>2,179,275</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2021**

12. RELATED PARTY DISCLOSURES

During the year dividends of £173,370 (2020: £46,942) were paid to the directors and other related parties. Charitable donations of £10,000 (2020: £10,000) were made to the Daisy Rich Trust of which A H Medley is a Trustee.

The company is not controlled by any one individual shareholder or director.

13. POST BALANCE SHEET EVENTS

Since the date these financial statements were approved there has not been any additional impact as a result of Covid-19 from that disclosed in the basis of preparation note.

14. SHARE OPTION SCHEMES

In 2011 and 2013 the company granted EMI Share Options over a total of 65,000 shares to three of its employees. The options have the following terms and conditions: the exercise price is £1 per share, the options must be exercised before the tenth anniversary of the grant date and the right to exercise the options shall terminate upon the employee ceasing to be an employee of the company.

In June 2020, the company granted EMI Share Options over a total of 55,000 shares to two employees on the same terms as set out above

The number of options outstanding is as follows:

Outstanding at 1.4.20	Granted during the year	Exercised during the year	Outstanding at 31.3.21
2,000	55,000	27,000	30,000

The fair value at the date of grant of the EMI share options over an aggregate 55,000 shares amounted to £55,000 which was recognised in full in 2021.

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.