

Company registration number: 04026798

**Castle Building and Construction Limited
Filleterd Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2020**

CASTLE BUILDING AND CONSTRUCTION LIMITED

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CASTLE BUILDING AND CONSTRUCTION LIMITED

(Registration number: 04026798)

Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>6</u>	15,925	21,079
Current assets			
Debtors	<u>7</u>	62,052	127,241
Cash at bank and in hand		<u>60,072</u>	<u>515</u>
		122,124	127,756
Creditors: Amounts falling due within one year	<u>8</u>	<u>(109,827)</u>	<u>(217,402)</u>
Net current assets/(liabilities)		<u>12,297</u>	<u>(89,646)</u>
Total assets less current liabilities		28,222	(68,567)
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(86,667)</u>	-
Provisions for liabilities			
Deferred tax liabilities		<u>(3,026)</u>	<u>(2,271)</u>
Net liabilities		<u><u>(61,471)</u></u>	<u><u>(70,838)</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>(62,471)</u>	<u>(71,838)</u>
Total equity		<u><u>(61,471)</u></u>	<u><u>(70,838)</u></u>

CASTLE BUILDING AND CONSTRUCTION LIMITED

(Registration number: 04026798)

Balance Sheet as at 31 December 2020

For the financial year ending 31 December 2020 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the Board on 1 June 2021 and signed on its behalf by:

A F Young
Director

J A Young
Company secretary and director

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in England & Wales .

The address of its registered office is:

Hendford Manor
Yeovil
Somerset
BA20 1UN

The principal place of business is:

Unit 4
Corbin Way
Gore Cross Business Park
BRIDPORT
Dorset
DT6 3UX

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

These financial statements are presented in Sterling (£).

Going concern

The company has net liabilities at the balance sheet date. During the year under review the company had to furlough some of its staff for a period of time as its business was temporarily curtailed due to the Covid-19 pandemic which has had an adverse effect on the UK economy since March 2020. However, the directors have taken into account the nature of the risks and uncertainties going forwards and are managing the evolving economic situation. Consequently, the directors remain optimistic for the future and have reviewed the company's position and believe that it is reasonable to prepare the accounts on a going concern basis.

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

Turnover recognition

Turnover represents the value of goods and services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Where a contract has only been partially completed at the balance sheet date, turnover represents the value of the services provided to the date based on the proportion of the total expected consideration at completion. Work in progress on contracts is recognised within other debtors on the balance sheet.

Government grants

Government grants are recognised under the accruals model resulting in income being recognised on a systematic basis over the period in which the related costs are incurred for which the grant is compensating. The income from the scheme is recognised as other income in the profit and loss and timing differences presented as other debtors or deferred income within the balance sheet.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

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

Depreciation of tangible assets

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
Motor vehicles	25% per annum on reducing balance
Plant and machinery	25% per annum on reducing balance

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Fully amortised

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.

Debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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.

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.

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 and subsequently measured at amortised cost using the effective interest method.

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.

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.

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 19 (2019 - 19).

4 Government grants

During the year other income of £235,225 was received from the government under the coronavirus job retention scheme. In addition a further small business grant of £10,000 was received during the year.

The amount of grants recognised in the financial statements was £245,225 (2019 - £Nil).

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2020	60,000	60,000
At 31 December 2020	60,000	60,000
Amortisation		
At 1 January 2020	60,000	60,000
At 31 December 2020	60,000	60,000
Carrying amount		
At 31 December 2020	-	-

6 Tangible assets

	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2020	116,000	28,312	144,312
Additions	-	156	156
At 31 December 2020	116,000	28,468	144,468
Depreciation			
At 1 January 2020	103,692	19,541	123,233
Charge for the year	3,078	2,232	5,310
At 31 December 2020	106,770	21,773	128,543
Carrying amount			
At 31 December 2020	9,230	6,695	15,925
At 31 December 2019	12,308	8,771	21,079

7 Debtors

	2020 £	2019 £
Trade debtors	25,705	87,854
Corporation tax	4,700	-
Other debtors	31,647	39,387
Total current trade and other debtors	62,052	127,241

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

8 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>9</u>	13,333	127,103
Trade creditors		25,070	31,227
Taxation and social security		49,710	49,494
Corporation tax		-	80
Other creditors		<u>21,714</u>	<u>9,498</u>
		<u>109,827</u>	<u>217,402</u>

Due after one year

Loans and borrowings	<u>9</u>	<u>86,667</u>	<u>-</u>
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Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>86,667</u>	<u>-</u>

	2020 £	2019 £
Due after more than five years		
After more than five years by instalments	6,667	-
	<u>6,667</u>	<u>-</u>

CASTLE BUILDING AND CONSTRUCTION LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

9 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	-	127,103
Other borrowings	13,333	-
	<u>13,333</u>	<u>127,103</u>

Bank overdrafts

Bank overdrafts are secured by a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, uncalled capital, buildings, fixtures, fixed plant & machinery of the company.

	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	86,667	-

Other borrowings

Within other borrowings is a balance of £100,000 relating to an outstanding amount due from a Coronavirus Business Interruption Loan. The UK government have guaranteed 80% of the value of the loan as well as agreeing to pay interest and fees for the first 12 months.

Loans and borrowings due in greater than five years

Included in the loans and borrowings are the following amounts due after more than five years:

	2020 £	2019 £
After more than five years by instalments	6,667	-

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

10 Related party transactions

Transactions with directors

	At 1 January 2020 £	Advances to directors £	Repayments by director £	At 31 December 2020 £
2020				
Joint directors loan account, repayable on demand. Interest is charged on overdrawn balances where appropriate at the official HMRC rates.	(24,832)	(23,485)	62,248	13,931

	At 1 January 2019 £	Advances to directors £	Repayments by director £	At 31 December 2019 £
2019				
Joint directors loan account, repayable on demand. Interest is charged on overdrawn balances where appropriate at the official HMRC rates.	(32,509)	(47,725)	55,402	(24,832)

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.