Company registration number: 4058931

Promocorp Limited

Unaudited filleted financial statements

31 March 2020

Promocorp Limited

Contents

Promocorp Limited

Balance sheet

31 March 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	5	402,794		410,767	
Investments	6	-		7,900	
			402,794		418,667
Current assets					
Stocks		61,837		53,837	
Debtors	7	59,227		115,780	
		121,064		169,617	
Creditors: amounts falling due within one year	8	(220,673)		(181,866)	
Net current liabilities			(99,609)		(12,249)
Total assets less current liabilities			303,185		406,418
Creditors: amounts falling due after more than one year	9		(408,267)		(378,517)
Net (liabilities)/assets			(105,082)		27,901
Capital and reserves					
Called up share capital	10		212,500		212,500
Revaluation reserve			251,500		251,500
Profit and loss account			(569,082)		(436,099)
Shareholders (deficit)/funds			(105,082)		27,901

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;

- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the Profit and loss has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 19 March 2021 , and are signed on behalf of the board by:

Mr K Beswick

Director

Company registration number: 4058931

1. General information

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Promocorp Limited, 98 Spring Vale Industrial Estate, Cwmbran, Gwent, NP44 5BH.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements show a deficiency of assets as at 31 March 2020. The company continues to benefit from the support and loans provided by the director Mr K Beswick, the shareholder Old Ellens Holding Limited and companies connected to Old Ellens Holdings Limited. The director believes that the going concern basis remains appropriate for preparing these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are 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 measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2 % straight line
Plant and machinery	-	10 % straight line
Motor vehicles	-	25 % straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Investment property

Investment property is measured initially at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is not available without undue cost or effort it shall be transferred to tangible assets and accounted for under the cost model until it is expected that fair value will be reliably measurable on an on-going basis.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are 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 in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 10 (2019: 9).

5. Tangible assets

	Freehold property	Plant and machinery	Motor vehicles	**Total**
	£	£	£	**£**
Cost				
At 1 April 2019	391,500	104,479	31,079	527,058
Additions	-	-	5,900	5,900
Disposals	-	-	(6,500)	(6,500)
At 31 March 2020	391,500	104,479	30,479	526,458
Depreciation				
At 1 April 2019	8,000	90,219	18,072	116,291
Charge for the year	1,600	1,785	7,374	10,759
Disposals	-	-	(3,386)	(3,386)
At 31 March 2020	9,600	92,004	22,060	123,664
Carrying amount				
At 31 March 2020	381,900	12,475	8,419	402,794
At 31 March 2019	383,500	14,260	13,007	410,767

Investment property

Included within the above is investment property as follows:

	£
At 1 April 2019 and 31 March 2020	190,500

6. Investments

	Shares in group undertakings and participating interests	Total
	£	£
Cost		
At 1 April 2019 and 31 March 2020	7,900	7,900
Impairment		
At 1 April 2019	-	-
Impairment	7,900	7,900
At 31 March 2020	7,900	7,900
Carrying amount		
At 31 March 2020	-	-
At 31 March 2019	7,900	7,900

7. Debtors

	2020	2019
	£	£
Trade debtors	56,625	60,007
Amounts owed by connected company	-	48,259
Prepayments and accrued income	2,602	7,514
	59,227	115,780

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	61,009	36,763
Trade creditors	34,715	26,373
Accruals and deferred income	4,400	3,550
Social security and other taxes	33,488	17,122
Obligations under finance leases	9,599	9,515
Other creditors	77,462	88,543
	220,673	181,866

Barclays Bank PLC have the following charges over balances shown as due within and after one year:

a) Charges dated 31 May 2002 and 31 March 2006 over the freehold land and property at units 97 and 98 Spring Vale Industrial Estate, Cwmbran.

b) Guarantee and debenture dated 3 September 2009 over all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery.

HH Cashflow Finance Limited have an all assets debenture dated 20 October 2017.

9. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	311,982	319,041
Obligations under finance leases	8,728	15,177
Director loan accounts	22,277	12,819
Other loans	65,280	31,480
	408,267	378,517

Included within creditors: amounts falling due after more than one year is an amount of £ 210,055 (2019 £ 261,325) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

10. Called up share capital

Issued, called up and fully paid

	2020	2019
	£	£
Ordinary shares of £ 1.00 each	212,500	212,500