

Mitchell's Building Contractors Ltd
Unaudited Financial Statements
for the Year Ended 31 December 2020

Contents of the Financial Statements
for the Year Ended 31 December 2020

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

Mitchell's Building Contractors Ltd

Company Information
for the Year Ended 31 December 2020

DIRECTORS:	Mr D J Mitchell Mr J M Uren
REGISTERED OFFICE:	Lakeside Offices The Old Cattle Market Coronation Park Helston Cornwall TR13 0SR
REGISTERED NUMBER:	04137749 (England and Wales)
ACCOUNTANTS:	Atkins Ferrie Chartered Accountants Lakeside Offices The Old Cattle Market Coronation Park Helston Cornwall TR13 0SR
BANKERS:	Lloyds Bank 7 Boscawen Street Truro Cornwall TR1 2QT

Balance Sheet
31 December 2020

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	4		22,520		21,554
CURRENT ASSETS					
Stocks	5	39,000		12,000	
Debtors	6	38,811		44,902	
Cash at bank		<u>23,425</u>		<u>24,419</u>	
		101,236		81,321	
CREDITORS					
Amounts falling due within one year	7	<u>92,774</u>		<u>75,339</u>	
NET CURRENT ASSETS			8,462		5,982
TOTAL ASSETS LESS CURRENT LIABILITIES			30,982		27,536
PROVISIONS FOR LIABILITIES			3,544		-
NET ASSETS			<u>27,438</u>		<u>27,536</u>
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Retained earnings			<u>26,438</u>		<u>26,536</u>
SHAREHOLDERS' FUNDS			<u>27,438</u>		<u>27,536</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021 and were signed on its behalf by:

Mr D J Mitchell - Director

Mr J M Uren - Director

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

1. STATUTORY INFORMATION

Mitchell's Building Contractors Ltd 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

The company recognises the right to consideration on partially completed long term service contracts as a debtor.

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.

Plant and machinery	- 15% on reducing balance
Office equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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

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

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

Hire purchase agreements are secured on the asset purchased.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

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.

Going concern

During the financial year, the UK has been significantly impacted by the Covid-19 pandemic. The impact on many businesses and sectors across the UK, Europe and the globe have been unprecedented and at the date of these financial statements, the outcome of the outbreak still remains uncertain.

The significant cash reserves within the company, as well as the strong balance sheet position, has resulted in the directors' conclusion that the long-term impact on the company should be minimal. Therefore, the directors' anticipate that the company will continue to operate within its available resources, and be able to tolerate a reasonable level of unforeseen circumstance for a period of at least 12 months from the date of these financial statements. The financial statements have therefore been prepared on a going concern basis.

Government grants

Government grants are recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Other forms of Government assistance from which the company has benefited are disclosed in the notes to the financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2019 - 5).

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Office equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2020	3,226	2,140	71,317	76,683
Additions	-	-	26,614	26,614
Disposals	(3,226)	(886)	(58,858)	(62,970)
At 31 December 2020	-	1,254	39,073	40,327
DEPRECIATION				
At 1 January 2020	2,616	1,697	50,816	55,129
Charge for year	-	59	7,393	7,452
Eliminated on disposal	(2,616)	(844)	(41,314)	(44,774)
At 31 December 2020	-	912	16,895	17,807
NET BOOK VALUE				
At 31 December 2020	-	342	22,178	22,520
At 31 December 2019	610	443	20,501	21,554

5. STOCKS

	2020 £	2019 £
Stocks	14,000	2,000
Work-in-progress	25,000	10,000
	<u>39,000</u>	<u>12,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	8,290	10,449
Other debtors	30,521	34,453
	<u>38,811</u>	<u>44,902</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts	-	18,980
Trade creditors	12,962	23,931
Taxation and social security	9,136	20,984
Other creditors	70,676	11,444
	<u>92,774</u>	<u>75,339</u>

8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 December 2020 and 31 December 2019:

	2020	2019
	£	£
Mr D J Mitchell		
Balance outstanding at start of year	399	21,603
Amounts advanced	29,000	13,331
Amounts repaid	(40,012)	(34,535)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(10,613)</u>	<u>399</u>
Mr J M Uren		
Balance outstanding at start of year	3,478	25,836
Amounts advanced	29,000	13,386
Amounts repaid	(38,994)	(35,744)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(6,516)</u>	<u>3,478</u>

9. GOVERNMENT GRANTS

During the year, the company received a Government grant of £729 to cover interest on the initial period of a bank loan. This has been included within Other Operating Income.

During the year, the company took out a bank loan for which the Government have provided a 100% guarantee in respect of the outstanding balance. The balance outstanding at the Balance Sheet date is £50,000.

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.