

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021
FOR
SMITH CIVIL ENGINEERING LTD

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FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021**

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SMITH CIVIL ENGINEERING LTD
COMPANY INFORMATION
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021

DIRECTOR: Mr D R Smith

REGISTERED OFFICE: Unit 8D
Aylsham Business Estate
Shepherds Close
Aylsham
Norfolk
NR116SZ

REGISTERED NUMBER: 04223862 (England and Wales)

ACCOUNTANTS: LEES
Chartered Certified Accountants
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

BALANCE SHEET
30 SEPTEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|------------------|------------------|----------------|------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | 1,500 | | 2,250 |
| Tangible assets | 5 | | <u>743,858</u> | | <u>556,148</u> |
| | | | 745,358 | | 558,398 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 1,407,148 | | 800,928 | |
| Cash at bank | | <u>915</u> | | <u>2,326</u> | |
| | | 1,408,063 | | 803,254 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>1,022,596</u> | | <u>718,570</u> | |
| NET CURRENT ASSETS | | | <u>385,467</u> | | <u>84,684</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 1,130,825 | | 643,082 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 8 | | (199,761) | | (186,575) |
| PROVISIONS FOR LIABILITIES | | | <u>(141,333)</u> | | <u>(105,668)</u> |
| NET ASSETS | | | <u>789,731</u> | | <u>350,839</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 10 | | 100 | | 100 |
| Retained earnings | | | <u>789,631</u> | | <u>350,739</u> |
| SHAREHOLDERS' FUNDS | | | <u>789,731</u> | | <u>350,839</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his 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 director and authorised for issue on 15 May 2022 and were signed by:

Mr D R Smith - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021**

1. STATUTORY INFORMATION

Smith Civil Engineering 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.

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 is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Construction contracts

When the outcome of a construction contract can be estimated reliably, the company shall recognise contract revenue and contract costs associated with the construction contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period.

Turnover is calculated as the proportion of total contract revenue which total costs incurred to date bear to total expected costs for the contract.

When the outcome of a construction contract cannot be estimated reliably:

- a) the company shall recognise revenue only to the extent of contract costs incurred that it is probable will be recoverable; and
- b) the company shall recognise contract costs as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue on a construction contract, the expected loss shall be recognised as an expense immediately, with a corresponding provision for an onerous contract.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, is being amortised evenly over its remaining useful economic life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery etc - 25% on reducing balance and 15% on reducing balance

Taxation

Taxation for the period 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued**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 period 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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 19 (2020 - 24) .

4. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|-----------------------|---------------|
| COST | |
| At 1 July 2020 | |
| and 30 September 2021 | <u>15,000</u> |
| AMORTISATION | |
| At 1 July 2020 | 12,750 |
| Charge for period | <u>750</u> |
| At 30 September 2021 | <u>13,500</u> |
| NET BOOK VALUE | |
| At 30 September 2021 | <u>1,500</u> |
| At 30 June 2020 | <u>2,250</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021

5. TANGIBLE FIXED ASSETS

| | Plant and machinery etc £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 July 2020 | 933,757 |
| Additions | 319,270 |
| At 30 September 2021 | <u>1,253,027</u> |
| DEPRECIATION | |
| At 1 July 2020 | 377,608 |
| Charge for period | 131,561 |
| At 30 September 2021 | <u>509,169</u> |
| NET BOOK VALUE | |
| At 30 September 2021 | <u>743,858</u> |
| At 30 June 2020 | <u>556,149</u> |

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery etc £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 July 2020 | 672,087 |
| Additions | 265,700 |
| Transfer to ownership | (149,610) |
| At 30 September 2021 | <u>788,177</u> |
| DEPRECIATION | |
| At 1 July 2020 | 219,335 |
| Charge for period | 105,569 |
| Transfer to ownership | (81,738) |
| At 30 September 2021 | <u>243,166</u> |
| NET BOOK VALUE | |
| At 30 September 2021 | <u>545,011</u> |
| At 30 June 2020 | <u>452,752</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|----------------|
| Trade debtors | 356,364 | 297,868 |
| Amounts owed by group undertakings | 664,784 | - |
| Other debtors | 386,000 | 503,060 |
| | <u>1,407,148</u> | <u>800,928</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|------------------------------------|------------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 128,086 | 5,566 |
| Hire purchase contracts | 173,602 | 177,337 |
| Trade creditors | 561,981 | 328,845 |
| Amounts owed to group undertakings | - | 82,634 |
| Taxation and social security | 105,562 | 77,569 |
| Other creditors | 53,365 | 46,619 |
| | <u>1,022,596</u> | <u>718,570</u> |

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

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Bank loans | 36,689 | 50,000 |
| Hire purchase contracts | 163,072 | 136,575 |
| | <u>199,761</u> | <u>186,575</u> |

9. SECURED DEBTS

The following secured debts are included within creditors:

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Hire purchase contracts | <u>336,674</u> | <u>313,912</u> |

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2021 | 2020 |
|---------|------------|----------------|------------|------------|
| | | | £ | £ |
| 76 | Ordinary A | £1 | 76 | 76 |
| 24 | Ordinary B | £1 | 24 | 24 |
| | | | <u>100</u> | <u>100</u> |

11. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the period ended 30 September 2021 and the year ended 30 June 2020:

| | 2021 | 2020 |
|--|--------------|----------------|
| | £ | £ |
| Mr D R Smith | | |
| Balance outstanding at start of period | 242,821 | (1,025) |
| Amounts advanced | 126,236 | 243,846 |
| Amounts repaid | (370,000) | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of period | <u>(943)</u> | <u>242,821</u> |

12. ULTIMATE CONTROLLING PARTY

100% of the company's share capital is owned by its parent company, Smith Civil Engineering (Holdings) Limited. The director, Mr D R Smith, owns 76% of the shares in Smith Civil Engineering (Holdings) Limited.

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.