

# **K G Ell Decorations Limited**

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 September 2019

# **K G Ell Decorations Limited**

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# **K G Ell Decorations Limited**

## **Company Information**

**Director** Mr K G Ell

**Company secretary** Mrs S M Ell

**Registered office** Unit 1, Office 1  
Tower Lane Business Park  
Tower Lane  
Warmley  
Bristol  
BS30 8XT

**Accountants** C V Ross & Co Limited  
Accountants and Tax Consultants  
Unit 1, Office 1  
Tower Lane Business Park  
Tower Lane  
Warmley  
Bristol  
BS30 8XT

**K G Ell Decorations Limited**  
**(Registration number: 04509037)**  
**Balance Sheet as at 30 September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	23,548	5,056
<b>Current assets</b>			
Stocks	<u>5</u>	1,750	1,750
Debtors	<u>6</u>	20,693	10,756
Cash at bank and in hand		15,090	26,311
		37,533	38,817
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	(35,226)	(26,091)
<b>Net current assets</b>		2,307	12,726
<b>Total assets less current liabilities</b>		25,855	17,782
<b>Creditors:</b> Amounts falling due after more than one year	<u>7</u>	(20,623)	-
<b>Provisions for liabilities</b>		(4,473)	(960)
<b>Net assets</b>		<u>759</u>	<u>16,822</u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		757	16,820
Total equity		<u>759</u>	<u>16,822</u>

For the financial year ending 30 September 2019 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 accounts for the year in question in accordance with section 476; and
- The director acknowledges his 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 in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

**K G Ell Decorations Limited**  
**(Registration number: 04509037)**  
**Balance Sheet as at 30 September 2019**

Approved and authorised by the director on 25 June 2020

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Mr K G Ell

Director

# **K G Ell Decorations Limited**

## **Notes to the Financial Statements for the Year Ended 30 September 2019**

### **1 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.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, 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 income 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 in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

## K G Ell Decorations Limited

### Notes to the Financial Statements for the Year Ended 30 September 2019

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

#### Depreciation

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
Plant & Machinery	25% reducing balance
Motor vehicles	25% reducing balance

#### 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.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise 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.

## **K G Ell Decorations Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2019**

#### **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.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade 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.

#### **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.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.



# K G Ell Decorations Limited

## Notes to the Financial Statements for the Year Ended 30 September 2019

### 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.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## 2 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 6 (2018 - 4).

## 3 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 October 2018	25,000	25,000
At 30 September 2019	25,000	25,000
<b>Amortisation</b>		
At 1 October 2018	25,000	25,000
At 30 September 2019	25,000	25,000
<b>Carrying amount</b>		
At 30 September 2019	-	-

# K G Ell Decorations Limited

## Notes to the Financial Statements for the Year Ended 30 September 2019

### 4 Tangible assets

	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>			
At 1 October 2018	21,956	12,769	34,725
Additions	27,769	1,009	28,778
Disposals	(18,206)	-	(18,206)
At 30 September 2019	31,519	13,778	45,297
<b>Depreciation</b>			
At 1 October 2018	18,339	11,330	29,669
Charge for the year	7,239	617	7,856
Eliminated on disposal	(15,776)	-	(15,776)
At 30 September 2019	9,802	11,947	21,749
<b>Carrying amount</b>			
At 30 September 2019	21,717	1,831	23,548
At 30 September 2018	3,617	1,439	5,056

### 5 Stocks

	2019 £	2018 £
Other inventories	1,750	1,750

### 6 Debtors

	2019 £	2018 £
Trade debtors	18,767	9,071
Prepayments	1,019	1,685
Other debtors	907	-
	20,693	10,756

# K G Ell Decorations Limited

## Notes to the Financial Statements for the Year Ended 30 September 2019

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2019 £	2018 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	4,252	-
Trade creditors		6,478	2,872
Taxation and social security		5,686	2,109
Accruals and deferred income		1,350	1,300
Other creditors		17,460	19,810
		<u>35,226</u>	<u>26,091</u>

#### Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	9	<u>20,623</u>	<u>-</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

# K G EII Decorations Limited

## Notes to the Financial Statements for the Year Ended 30 September 2019

### 9 Loans and borrowings

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	20,623	-
	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank overdrafts	576	-
Finance lease liabilities	3,676	-
	4,252	-

### 10 Related party transactions

#### Transactions with directors

	At 1 October 2018 £	Advances to directors £	Repayments by director £	At 30 September 2019 £
<b>2019</b>				
<b>Mr K G EII</b>				
Balance due to/(by) the director	14,822	(4,931)	6,034	15,925

	At 1 October 2017 £	Advances to directors £	Repayments by director £	At 30 September 2018 £
<b>2018</b>				
<b>Mr K G EII</b>				
Balance due to/(by) the director	16,202	(2,940)	1,560	14,822

Tower Lane

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