

K G Ell Decorations Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 September 2021

Ross & Partners (Bristol) Limited
Accountants and Tax Consultants
Unit 1, Office 1
Tower Lane Business Park
Tower Lane
Warmley
Bristol
BS30 8XT

K G Ell Decorations Limited

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K G Ell Decorations Limited

Company Information

Director	Mr K G Ell
Registered office	Unit 1, Office 1 Tower Lane Business Park Tower Lane Warmley Bristol BS30 8XT
Accountants	Ross & Partners (Bristol) 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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	27,435	31,138
Current assets			
Stocks	<u>5</u>	4,500	1,750
Debtors	<u>6</u>	19,592	32,685
Cash at bank and in hand		<u>7,396</u>	<u>6,595</u>
		31,488	41,030
Creditors: Amounts falling due within one year	<u>7</u>	<u>(20,367)</u>	<u>(26,109)</u>
Net current assets		<u>11,121</u>	<u>14,921</u>
Total assets less current liabilities		38,556	46,059
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(33,540)</u>	<u>(42,283)</u>
Provisions for liabilities		<u>(4,623)</u>	<u>(5,636)</u>
Net assets/(liabilities)		<u><u>393</u></u>	<u><u>(1,860)</u></u>
Capital and reserves			
Called up share capital	<u>8</u>	2	2
Profit and loss account		<u>391</u>	<u>(1,862)</u>
Shareholders' funds/(deficit)		<u><u>393</u></u>	<u><u>(1,860)</u></u>

For the financial year ending 30 September 2021 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.

K G Ell Decorations Limited

(Registration number: 04509037) Balance Sheet as at 30 September 2021

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.

Approved and authorised by the director on 21 June 2022

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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 2021

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 2021

Tangible assets

Tangible assets are stated in the balance sheet 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
Property improvements	10 year straight line

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 2021

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 2021

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 4 (2020 - 6).

3 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 October 2020	25,000	25,000
At 30 September 2021	25,000	25,000
Amortisation		
At 1 October 2020	25,000	25,000
At 30 September 2021	25,000	25,000
Carrying amount		
At 30 September 2021	-	-

K G Ell Decorations Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

4 Tangible assets

	Land and buildings £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 October 2020	1,640	46,419	14,876	62,935
Additions	1,641	-	3,208	4,849
At 30 September 2021	3,281	46,419	18,084	67,784
Depreciation				
At 1 October 2020	164	18,956	12,677	31,797
Charge for the year	330	6,866	1,356	8,552
At 30 September 2021	494	25,822	14,033	40,349
Carrying amount				
At 30 September 2021	2,787	20,597	4,051	27,435
At 30 September 2020	1,476	27,463	2,199	31,138

Included within the net book value of land and buildings above is £2,787 (2020 - £1,476) in respect of short leasehold land and buildings.

5 Stocks

	2021 £	2020 £
Other inventories	4,500	1,750

6 Debtors

	2021 £	2020 £
Trade debtors	13,030	26,817
Prepayments	1,650	1,998
Other debtors	4,912	3,870
	19,592	32,685

K G Ell Decorations Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Bank loans and overdrafts	<u>9</u>	9,413	15,538
Trade creditors		5,395	6,352
Taxation and social security		848	1,451
Accruals and deferred income		1,470	1,350
Other creditors		<u>3,241</u>	<u>1,418</u>
		<u>20,367</u>	<u>26,109</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>33,540</u>	<u>42,283</u>

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	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 2021

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	20,269	25,336
Hire purchase contracts	13,271	16,947
	<u>33,540</u>	<u>42,283</u>

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	5,288	1,102
Bank overdrafts	449	10,760
Hire purchase contracts	3,676	3,676
	<u>9,413</u>	<u>15,538</u>

10 Related party transactions

Transactions with directors

	At 1 October 2020 £	Advances to directors £	Repayments by director £	At 30 September 2021 £
2021				
Mr K G EII				
Balance due to/(by) the director	194	(16,583)	11,478	(4,911)

	At 1 October 2019 £	Advances to directors £	Repayments by director £	At 30 September 2020 £
2020				
Mr K G EII				
Balance due to/(by) the director	15,925	(28,454)	12,723	194

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.