

D H & P Powell Decorating Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2020

D H & P Powell Decorating Limited

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D H & P Powell Decorating Limited

Company Information

Director Mr David Huw Powell

Company secretary Mrs Pam Powell

Registered office 5 Pearl Street
Clydach
Swansea
SA6 5PU

Accountants Ferguson and Peters
4 High Street
Pontardawe
Swansea
West Glamorgan
SA8 4HU

D H & P Powell Decorating Limited

(Registration number: 05119593)

Balance Sheet as at 31 May 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>4</u>	18,000	24,000
Tangible assets	<u>5</u>	<u>1,439</u>	<u>473</u>
		<u>19,439</u>	<u>24,473</u>
Current assets			
Stocks	<u>6</u>	75	500
Debtors	<u>7</u>	2,881	-
Cash at bank and in hand		<u>4,282</u>	<u>8,942</u>
		7,238	9,442
Creditors: Amounts falling due within one year	<u>8</u>	<u>(924)</u>	<u>(1,350)</u>
Net current assets		<u>6,314</u>	<u>8,092</u>
Total assets less current liabilities		25,753	32,565
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(19,867)</u>	<u>(19,062)</u>
Net assets		<u>5,886</u>	<u>13,503</u>
Capital and reserves			
Called up share capital	<u>9</u>	100	100
Profit and loss account		<u>5,786</u>	<u>13,403</u>
Total equity		<u>5,886</u>	<u>13,503</u>

For the financial year ending 31 May 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 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.

Approved and authorised by the director on 10 July 2020

D H & P Powell Decorating Limited

(Registration number: 05119593)

Balance Sheet as at 31 May 2020

.....
Mr David Huw Powell
Director

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

5 Pearl Street
Clydach
Swansea
SA6 5PU

These financial statements were authorised for issue by the director on 10 July 2020.

2 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 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.

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.

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

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
Motor Vehicle & Plant & Equipment	25% writing down value

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	5 Years on Cost

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.

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.

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

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.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 1 (2019 - 1).

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2019	30,000	30,000
At 31 May 2020	30,000	30,000
Amortisation		
At 1 June 2019	6,000	6,000
Amortisation charge	6,000	6,000
At 31 May 2020	12,000	12,000
Carrying amount		
At 31 May 2020	18,000	18,000
At 31 May 2019	24,000	24,000

5 Tangible assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 June 2019	1,805	2,700	4,505
Additions	-	2,090	2,090
Disposals	-	(2,700)	(2,700)
At 31 May 2020	1,805	2,090	3,895
Depreciation			
At 1 June 2019	1,783	2,249	4,032
Charge for the year	-	523	523
Eliminated on disposal	-	(2,099)	(2,099)
At 31 May 2020	1,783	673	2,456
Carrying amount			
At 31 May 2020	22	1,417	1,439
At 31 May 2019	22	451	473

6 Stocks

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

	2020 £	2019 £
Work in progress	-	350
Other inventories	75	150
	<u>75</u>	<u>500</u>

7 Debtors

	2020 £	2019 £
Other debtors	2,881	-
	<u>2,881</u>	<u>-</u>

8 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Trade creditors	924	924
Taxation and social security	-	426
	<u>924</u>	<u>1,350</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	10	<u>19,867</u>	<u>19,062</u>

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

D H & P Powell Decorating Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

10 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	19,867	19,062

11 Dividends

	2020 £	2019 £
Final dividend of £2,500 (2019 - £2,400) per ordinary share	2,500	2,400

12 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	6,610	8,458

Swansea

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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.