

Eythorne Building Contractors Limited

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

(filleted for filing purposes)

Eythorne Building Contractors Limited

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Eythorne Building Contractors Limited

Company Information

Directors	Mr P Dougherty Mrs A Dougherty
Company secretary	Batchelor Coop Ltd

Registered office	The New Barn Mill Lane Eastry Sandwich Kent CT13 0JW
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Eythorne Building Contractors Limited

(Registration number: 05432958)

Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	52,078	65,043
Current assets			
Stocks	<u>5</u>	3,000	5,000
Debtors	<u>6</u>	338,917	153,876
Cash at bank and in hand		<u>4</u>	<u>82,808</u>
		341,921	241,684
Creditors: Amounts falling due within one year	<u>7</u>	<u>(244,419)</u>	<u>(114,692)</u>
Net current assets		<u>97,502</u>	<u>126,992</u>
Total assets less current liabilities		149,580	192,035
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(58,750)</u>	<u>(82,848)</u>
Provisions for liabilities		<u>(9,896)</u>	<u>(9,910)</u>
Net assets		<u>80,934</u>	<u>99,277</u>
Capital and reserves			
Called up share capital	<u>8</u>	100	100
Profit and loss account		<u>80,834</u>	<u>99,177</u>
Shareholders' funds		<u>80,934</u>	<u>99,277</u>

For the financial year ending 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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 Board on 30 March 2022 and signed on its behalf by:

Eythorne Building Contractors Limited

(Registration number: 05432958)

Balance Sheet as at 30 June 2021

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Mr P Dougherty

Director

.....

Mrs A Dougherty

Director

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 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.

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:

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2021

Asset class	Depreciation method and rate
Motor vehicles	25% reducing balance
Plant and machinery	15% reducing balance
Fixture and fittings	15% 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.

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.

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.

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2021

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

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 directors) during the year, was 13 (2020 - 14).

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2021

3 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 July 2020	45,000	45,000
At 30 June 2021	45,000	45,000
Amortisation		
At 1 July 2020	45,000	45,000
At 30 June 2021	45,000	45,000
Carrying amount		
At 30 June 2021	-	-

4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2020	4,583	74,079	145,665	224,327
Disposals	-	-	(13,500)	(13,500)
At 30 June 2021	4,583	74,079	132,165	210,827
Depreciation				
At 1 July 2020	2,396	33,163	123,725	159,284
Charge for the year	329	6,137	5,148	11,614
Eliminated on disposal	-	-	(12,149)	(12,149)
At 30 June 2021	2,725	39,300	116,724	158,749
Carrying amount				
At 30 June 2021	1,858	34,779	15,441	52,078
At 30 June 2020	2,187	40,916	21,940	65,043

5 Stocks

	2021 £	2020 £
Other inventories	3,000	5,000

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2021

6 Debtors

	2021 £	2020 £
Trade debtors	40,414	21,376
Amounts owed by group undertakings and undertakings in which the company has a participating interest	6,177	40,881
Other debtors	292,326	91,619
	<u>338,917</u>	<u>153,876</u>
Total current trade and other debtors		

7 Creditors

	Note	2021 £	2020 £
Due within one year			
Bank loans and overdrafts	9	149,057	52,557
Trade creditors		51,612	31,691
Other related parties		4,705	-
Taxation and social security		22,102	3,756
Other creditors		16,943	26,688
		<u>244,419</u>	<u>114,692</u>
Due after one year			
Loans and borrowings	9	58,750	82,848

Creditors due less than one year include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £7,153 (2020 - £14,383).

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	58,750	82,848

	2021 £	2020 £
Due after more than five years		
After more than five years by instalments	-	82,848
	<u></u>	<u></u>

Creditors due more than one year include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £Nil (2020 - £7,712).

Eythorne Building Contractors Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2021

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

9 Loans and borrowings

	2021	2020
	£	£
Non-current loans and borrowings		
Bank borrowings	58,750	75,136
Hire purchase contracts	-	7,712
	<u>58,750</u>	<u>82,848</u>

	2021	2020
	£	£
Current loans and borrowings		
Bank borrowings	15,000	8,174
Bank overdrafts	26,904	-
Hire purchase contracts	7,153	14,383
Other borrowings	<u>100,000</u>	<u>30,000</u>
	<u>149,057</u>	<u>52,557</u>

Included in the loans and borrowings are the following amounts due after more than five years:

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.