

Novis Howarth Ltd

Unaudited filleted financial statements

31 August 2020

Company registration number: 05794139

Novis Howarth Ltd

Contents

Directors and other information

Statement of financial position

Notes to the financial statements

Novis Howarth Ltd

Directors and other information

Directors

C. M. Howarth

S. R. Tucker

Secretary

J. J. Howarth

Company number

05794139

Registered office

1 Victoria Court

Bank Square

Morley

Leeds

LS27 9SE

Bankers

HSBC Bank Plc
Queen Street
Morley
Leeds

Novis Howarth Ltd
Statement of financial position
31 August 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	5	57,899		69,727	
Tangible assets	6	24,040		17,244	
			81,939		86,971
Current assets					
Stocks		169,052		164,665	
Debtors	7	342,969		309,553	
Cash at bank and in hand		311,749		156,014	
		823,770		630,232	
Creditors: amounts falling due within one year	8	(215,733)		(127,331)	
Net current assets			608,037		502,901
Total assets less current liabilities			689,976		589,872
Provisions for liabilities	9		(4,567)		(3,276)
Net assets			685,409		586,596
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account			685,309		586,496
Shareholders funds			685,409		586,596

For the year ending 31 August 2020 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 28 April 2021 , and are signed on behalf of the board by:

C. M. Howarth

Director

Company registration number: 05794139

Novis Howarth Ltd**Notes to the financial statements****Year ended 31 August 2020****1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1 Victoria Court, Bank Square, Morley, Leeds, LS27 9SE.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies**Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	4.25 % straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	33 % reducing balance
Fixtures, fittings and equipment	-	25 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Pension contributions

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2019: 14).

5. Intangible assets

	Goodwill £	Total £
Cost		
At 1 September 2019 and 31 August 2020	307,840	307,840
Amortisation		
At 1 September 2019	238,113	238,113
Charge for the year	11,828	11,828
At 31 August 2020	249,941	249,941
Carrying amount		
At 31 August 2020	57,899	57,899
At 31 August 2019	69,727	69,727

6. Tangible assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2019	49,502	27,792	77,294
Additions	12,140	5,813	17,953
Disposals	(15,768)	(262)	(16,030)
At 31 August 2020	45,874	33,343	79,217
Depreciation			
At 1 September 2019	39,057	20,993	60,050
Charge for the year	7,216	3,129	10,345
Disposals	(15,051)	(167)	(15,218)
At 31 August 2020	31,222	23,955	55,177
Carrying amount			
At 31 August 2020	14,652	9,388	24,040
At 31 August 2019	10,445	6,799	17,244

7. Debtors

	2020	2019
	£	£
Trade debtors	101,351	113,714
Other debtors	241,618	195,839
	<u>342,969</u>	<u>309,553</u>

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	50,000	-
Trade creditors	15,333	10,532
Corporation tax	53,772	44,039
Social security and other taxes	67,242	68,159
Other creditors	29,386	4,601
	<u>215,733</u>	<u>127,331</u>

9. Provisions

Deferred tax (note 10)	Total
£	£
At 1 September 2019	3,276
Additions	1,291
At 31 August 2020	4,567

10. Deferred tax

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	4,567	3,276

11. Called up share capital**Issued and called up**

	2020		2019	
	No	£	No	£
Ordinary shares of £ 1.00 each	100	100	100	100
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12. Related party transactions

During the year the company entered into the following transactions with related parties:

	Balance owed by/(owed to)	
	2020	2019
	£	£
A director	(27,744)	(187)
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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.