

**COMPANY REGISTRATION NO. 06600174 (England and Wales)**

**TWOMLOWS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**PAGES FOR FILING WITH REGISTRAR**

**TWOMLOWS LIMITED**

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**TWOMLOWS LIMITED****BALANCE SHEET****AS AT 31 MARCH 2021**

|  |       | 2021            | 2020            |
|--|-------|-----------------|-----------------|
|  | Notes | £               | £               |
| <b>Fixed assets</b>  |       |                 |                 |
| Intangible assets  | 3     | 42,917          | 47,917          |
| Tangible assets  | 4     | 565,528         | 28,329          |
|  |       | <u>608,445</u>  | <u>76,246</u>   |
| <b>Current assets</b>  |       |                 |                 |
| Debtors  | 5     | 169,060         | 203,731         |
| Cash at bank and in hand                                       |       | 165,744         | 5,404           |
|  |       | <u>334,804</u>  | <u>209,135</u>  |
| <b>Creditors: amounts falling due within one year</b>          | 6     | (370,951)       | (249,121)       |
| <b>Net current liabilities</b>                                 |       | <u>(36,147)</u> | <u>(39,986)</u> |
| <b>Total assets less current liabilities</b>                   |       | 572,298         | 36,260          |
| <b>Creditors: amounts falling due after more than one year</b> | 7     | (528,542)       | (16,557)        |
| <b>Provisions for liabilities</b>                              |       | -               | (81)            |
| <b>Net assets</b>  |       | <u>43,756</u>   | <u>19,622</u>   |
| <b>Capital and reserves</b>                                    |       |                 |                 |
| Called up share capital  | 8     | 300             | 300             |
| Profit and loss reserves                                       |       | 43,456          | 19,322          |
| <b>Total equity</b>  |       | <u>43,756</u>   | <u>19,622</u>   |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 December 2021 and are signed on its behalf by:

Mr A J Twomlow  
**Director**

**Company Registration No. 06600174**

## TWOMLOWS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Company information

Twomlows Limited is a private company limited by shares incorporated in England and Wales. The registered office is 20 Newport Road, Caldicot, Newport, Gwent, United Kingdom, NP26 4BQ.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

##### 1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

##### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |   |
|-----------------------------|---|
| Freehold land and buildings | Enter depreciation rate via StatDB - cd74 |
| Computers                   | 20% reducing balance                      |
| Motor vehicles              | 25% reducing balance                      |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.5 Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**TWOMLOWS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

**1.6 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.7 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.8 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.9 Leases**

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**1.10 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**TWOMLOWS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

|       | <b>2021</b>   | <b>2020</b>   |
|-------|---------------|---------------|
|       | <b>Number</b> | <b>Number</b> |
| Total | 29            | 27            |

**3 Intangible fixed assets**

|                                    | <b>Goodwill</b> |
|------------------------------------|-----------------|
|                                    | <b>£</b>        |
| <b>Cost</b>                        |                 |
| At 1 April 2020 and 31 March 2021  | 50,000          |
| <b>Amortisation and impairment</b> |                 |
| At 1 April 2020                    | 2,083           |
| Amortisation charged for the year  | 5,000           |
| At 31 March 2021                   | 7,083           |
| <b>Carrying amount</b>             |                 |
| At 31 March 2021                   | 42,917          |
| At 31 March 2020                   | 47,917          |

**4 Tangible fixed assets**

|                                    | <b>Freehold land<br/>and buildings</b> | <b>Computer</b> | <b>Motor vehicles</b> | <b>Total</b> |
|------------------------------------|--|-----------------|-----------------------|--------------|
|                                    | <b>£</b>                               | <b>£</b>        | <b>£</b>              | <b>£</b>     |
| <b>Cost</b>                        |  |                 |                       |              |
| At 1 April 2020                    | -                                      | 1,503           | 30,001                | 31,504       |
| Additions                          | 545,000                                | -               | -                     | 545,000      |
| At 31 March 2021                   | 545,000                                | 1,503           | 30,001                | 576,504      |
| <b>Depreciation and impairment</b> |  |                 |                       |              |
| At 1 April 2020                    | -                                      | 50              | 3,125                 | 3,175        |
| Depreciation charged in the year   | -                                      | 301             | 7,500                 | 7,801        |
| At 31 March 2021                   | -                                      | 351             | 10,625                | 10,976       |
| <b>Carrying amount</b>             |  |                 |                       |              |
| At 31 March 2021                   | 545,000                                | 1,152           | 19,376                | 565,528      |
| At 31 March 2020                   | -                                      | 1,453           | 26,876                | 28,329       |

**TWOMLOWS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4 Tangible fixed assets (Continued)**

The fixed asset addition relates to the beneficial interest in two properties as a result of the incorporation of the Partnership. The legal title has not yet passed. The transfer was based on a bank valuation of £550,000 for the 2 properties and was partly funded by loans from the bank.

**5 Debtors**

|  | 2021                  | 2020                  |
|--|-----------------------|-----------------------|
|  | £                     | £                     |
| <b>Amounts falling due within one year:</b>          |                       |                       |
| Trade debtors  | 88,588                | 74,610                |
| Other debtors  | 79,898                | 129,121               |
|  | <u>168,486</u>        | <u>203,731</u>        |
|  | <u><u>168,486</u></u> | <u><u>203,731</u></u> |
| <b>Amounts falling due after more than one year:</b> |                       |                       |
| Deferred tax asset                                   | 574                   | -                     |
|  | <u>574</u>            | <u>-</u>              |
| <b>Total debtors</b>                                 | <u><u>169,060</u></u> | <u><u>203,731</u></u> |

**6 Creditors: amounts falling due within one year**

|                                    | 2021                  | 2020                  |
|------------------------------------|-----------------------|-----------------------|
|                                    | £                     | £                     |
| Bank loans and overdrafts          | 122,247               | 31,399                |
| Trade creditors                    | 8,216                 | 30,087                |
| Corporation tax                    | 12,762                | 5,274                 |
| Other taxation and social security | 68,917                | 30,129                |
| Other creditors                    | 158,809               | 152,232               |
|                                    | <u>370,951</u>        | <u>249,121</u>        |
|                                    | <u><u>370,951</u></u> | <u><u>249,121</u></u> |

The hire purchase balance of £10,985 (2020: £15,568), included in other creditors, is secured by fixed charges over asset.

**7 Creditors: amounts falling due after more than one year**

|                                  | 2021                  | 2020                 |
|----------------------------------|-----------------------|----------------------|
|                                  | £                     | £                    |
| Bank loans and overdrafts        | 522,971               | -                    |
| Obligations under finance leases | 5,571                 | 16,557               |
|                                  | <u>528,542</u>        | <u>16,557</u>        |
|                                  | <u><u>528,542</u></u> | <u><u>16,557</u></u> |

**TWOMLOWS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**7 Creditors: amounts falling due after more than one year (Continued)**

The hire purchase balance of £5,571 (2020: £16,557) is secured by fixed charge over asset.

Amounts included above which fall due after five years are as follows:

|                        |                   |                   |
|------------------------|-------------------|-------------------|
| Payable by instalments | 275,471           | -                 |
|                        | <u>          </u> | <u>          </u> |

**8 Called up share capital**

|                               | 2021<br>Number    | 2020<br>Number    | 2021<br>£         | 2020<br>£         |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Ordinary share capital</b> |                   |                   |                   |                   |
| <b>Issued and fully paid</b>  |                   |                   |                   |                   |
| Ordinary of £1 each           | 300               | 300               | 300               | 300               |
|                               | <u>          </u> | <u>          </u> | <u>          </u> | <u>          </u> |

**9 Directors' transactions**

| Description | % Rate | Opening balance   | Amounts advanced  | Amounts repaid    | Closing balance   |
|-------------|--------|-------------------|-------------------|-------------------|-------------------|
|             |        | £                 | £                 | £                 | £                 |
| Directors   | -      | 47,250            | 97,476            | (249,782)         | (105,056)         |
|             |        | <u>          </u> | <u>          </u> | <u>          </u> | <u>          </u> |
|             |        | 47,250            | 97,476            | (249,782)         | (105,056)         |
|             |        | <u>          </u> | <u>          </u> | <u>          </u> | <u>          </u> |



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