

**REGISTERED NUMBER: 07240581 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023**

**FOR**

**SMART MERCHANTS LIMITED**

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for the Year Ended 30 April 2023**

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**SMART MERCHANTS LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 30 April 2023**

**DIRECTORS:**

M P Watts  
R H Marsh

**REGISTERED OFFICE:**

54 Sun Street  
Waltham Abbey  
Essex  
EN9 1EJ

**REGISTERED NUMBER:**

07240581 (England and Wales)

**ACCOUNTANTS:**

KNIGHT WHEELER LIMITED  
Chartered Accountants  
54 Sun Street  
Waltham Abbey  
Essex  
EN9 1EJ

**SMART MERCHANTS LIMITED (REGISTERED NUMBER: 07240581)**

**BALANCE SHEET**  
**30 April 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Intangible assets	4	12,000	14,000
Tangible assets	5	<u>27,092</u>	<u>36,138</u>
		<u>39,092</u>	<u>50,138</u>
<b>CURRENT ASSETS</b>			
Stocks		864,742	610,628
Debtors	6	1,345,369	1,106,393
Cash at bank and in hand		<u>115,896</u>	<u>158,357</u>
		2,326,007	1,875,378
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(1,237,888)</u>	<u>(836,972)</u>
<b>NET CURRENT ASSETS</b>		<u>1,088,119</u>	<u>1,038,406</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,127,211	1,088,544
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	(124,704)	(209,010)
<b>PROVISIONS FOR LIABILITIES</b>	10	<u>(5,784)</u>	<u>(5,551)</u>
<b>NET ASSETS</b>		<u>996,723</u>	<u>873,983</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		102	102
Retained earnings		<u>996,621</u>	<u>873,881</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>996,723</u>	<u>873,983</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

**SMART MERCHANTS LIMITED (REGISTERED NUMBER: 07240581)**

**BALANCE SHEET - continued**  
**30 April 2023**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2023 and were signed on its behalf by:

R H Marsh - Director

M P Watts - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 30 April 2023

1. **STATUTORY INFORMATION**

Smart Merchants Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling (£) which is also the functional currency for the company and rounded to the nearest £.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents net invoiced electrical wholesales.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised evenly over its estimated useful life of ten years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2023

2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Debtors and creditors receivable/payable within one year**

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.

**Trade and other receivables**

**Trade and Other Payables**

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest.

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and any short term deposits.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 20 (2022 - 21 ).

4. INTANGIBLE FIXED ASSETS

	Goodwill £
<b>COST</b>	
At 1 May 2022	
and 30 April 2023	<u>20,000</u>
<b>AMORTISATION</b>	
At 1 May 2022	6,000
Charge for year	<u>2,000</u>
At 30 April 2023	<u>8,000</u>
<b>NET BOOK VALUE</b>	
At 30 April 2023	<u>12,000</u>
At 30 April 2022	<u>14,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2023

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 May 2022	24,209	6,775	13,963
Additions	-	-	274
At 30 April 2023	<u>24,209</u>	<u>6,775</u>	<u>14,237</u>
<b>DEPRECIATION</b>			
At 1 May 2022	17,830	6,769	9,254
Charge for year	<u>2,421</u>	<u>-</u>	<u>1,064</u>
At 30 April 2023	<u>20,251</u>	<u>6,769</u>	<u>10,318</u>
<b>NET BOOK VALUE</b>			
At 30 April 2023	<u>3,958</u>	<u>6</u>	<u>3,919</u>
At 30 April 2022	<u>6,379</u>	<u>6</u>	<u>4,709</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 May 2022	101,952	29,320	176,219
Additions	-	4,169	4,443
At 30 April 2023	<u>101,952</u>	<u>33,489</u>	<u>180,662</u>
<b>DEPRECIATION</b>			
At 1 May 2022	77,952	28,276	140,081
Charge for year	<u>7,999</u>	<u>2,005</u>	<u>13,489</u>
At 30 April 2023	<u>85,951</u>	<u>30,281</u>	<u>153,570</u>
<b>NET BOOK VALUE</b>			
At 30 April 2023	<u>16,001</u>	<u>3,208</u>	<u>27,092</u>
At 30 April 2022	<u>24,000</u>	<u>1,044</u>	<u>36,138</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2023

5. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 May 2022	
and 30 April 2023	<u>31,995</u>
<b>DEPRECIATION</b>	
At 1 May 2022	7,999
Charge for year	<u>7,999</u>
At 30 April 2023	<u>15,998</u>
<b>NET BOOK VALUE</b>	
At 30 April 2023	<u>15,997</u>
At 30 April 2022	<u>23,996</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade debtors	1,337,877	1,055,036
Other debtors	3,205	35,869
Smart Trans Supplies Ltd	1,585	1,115
Prepayments	<u>2,702</u>	<u>14,373</u>
	<u>1,345,369</u>	<u>1,106,393</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Bank loans and overdrafts	68,750	62,537
Hire purchase contracts	9,342	9,232
Trade creditors	784,468	751,994
Factoring account	184,575	(110,927)
Tax	66,480	62,564
Social security and other taxes	8,456	8,005
VAT	29,843	38,937
Other creditors	22,448	-
Credit card	1,517	5,594
Pension fund	2,120	1,506
Directors' current accounts	53,770	3,780
Accrued expenses	<u>6,119</u>	<u>3,750</u>
	<u>1,237,888</u>	<u>836,972</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2023

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans - 1-2 years	68,750	62,537
Bank loans - 2-5 years	11,458	92,634
Hire purchase contracts	4,496	13,839
Other creditors	40,000	40,000
	<u>124,704</u>	<u>209,010</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	<u>148,958</u>	<u>217,708</u>

The factoring account is secured by way of a debenture which provides a fixed and floating charge over the assets of the company.

10. **PROVISIONS FOR LIABILITIES**

	2023	2022
	£	£
Deferred tax	<u>5,784</u>	<u>5,551</u>

	Deferred tax
	£
Balance at 1 May 2022	5,551
Provided during year	<u>233</u>
Balance at 30 April 2023	<u>5,784</u>

11. **RELATED PARTY DISCLOSURES**

The loan amounting to £40,000 is owed to R H Marsh and is on an interest free basis with no fixed repayment term.

The above transactions were conducted using normal commercial principles.

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.