

Company registration number: 07995218

D & S Electrical Distributors Limited

Unaudited filleted financial statements

28 February 2021

D & S Electrical Distributors Limited

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Directors and other information

| | |
|--------------------------|--|
| Directors | Mr Richard Degg |
| Company number | 07995218 |
| Registered office | 98 Lancaster Road Newcastle under Lyme Staffordshire ST5 1DS |
| Business address | Unit 13 Rosevale Road Parkhouse Industrial Estate Newcastle under Lyme Staffordshire ST5 7EF |
| Accountants | Jacksons Chartered Accountants Deansfield House 98 Lancaster Road Newcastle under Lyme Staffordshire ST5 1DS |

D & S Electrical Distributors Limited

Statement of financial position

28 February 2021

| | Note | 28/02/21 £ | 29/02/20 £ |
|--|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 5 | 29,062 | 35,939 |
| | | <u>29,062</u> | <u>35,939</u> |
| Current assets | | | |
| Stocks | | 203,034 | 154,165 |
| Debtors | 6 | 444,306 | 350,270 |
| Cash at bank and in hand | | 82,375 | 5,611 |
| | | <u>729,715</u> | <u>510,046</u> |
| Creditors: amounts falling due within one year | 7 | (552,291) | (396,825) |
| Net current assets | | <u>177,424</u> | <u>113,221</u> |
| Total assets less current liabilities | | <u>206,486</u> | <u>149,160</u> |
| Creditors: amounts falling due after more than one year | 8 | (54,298) | (518) |
| Provisions for liabilities | | (5,521) | (6,829) |
| Net assets | | <u>146,667</u> | <u>141,813</u> |
| Capital and reserves | | | |
| Called up share capital | | 200 | 200 |
| Capital redemption reserve | | 400 | 400 |
| Profit and loss account | | 146,067 | 141,213 |
| Shareholders funds | | <u>146,667</u> | <u>141,813</u> |

For the year ending 28 February 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 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 23 November 2021 , and are signed on behalf of the board by:

Mr Richard Degg

Director

Company registration number: 07995218

D & S Electrical Distributors Limited

Notes to the financial statements

Year ended 28 February 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 98 Lancaster Road, Newcastle under Lyme, Staffordshire, ST5 1DS.

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'. The Triennial review 2017 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

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:

| | |
|---------------------------------|--|
| Short leasehold property | - Straight line over the life of the lease |
| Fittings fixtures and equipment | - 25% straight line |
| Motor vehicles | - 25% reducing balance |
| Computer equipment | - Straight line over 3 years |

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.

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 and the performance 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.

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.

Defined contribution plans

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 8 (2020: 7).

5. Tangible assets

| | Short leasehold property £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Computer equipment £ | Total £ |
|----------------------------|-------------------------------------|---|------------------------|----------------------------|----------------|
| Cost | | | | | |
| At 29 February 2020 | 12,603 | 12,859 | 22,300 | 66,115 | 113,877 |
| Additions | - | - | 18,504 | 4,420 | 22,924 |
| Disposals | - | - | (22,300) | (1,731) | (24,031) |
| At 28 February 2021 | 12,603 | 12,859 | 18,504 | 68,804 | 112,770 |
| Depreciation | | | | | |
| At 29 February 2020 | 12,603 | 11,976 | 15,053 | 38,306 | 77,938 |
| Charge for the year | - | 461 | 3,470 | 18,047 | 21,978 |
| Disposals | - | - | (15,054) | (1,154) | (16,208) |
| At 28 February 2021 | 12,603 | 12,437 | 3,469 | 55,199 | 83,708 |
| Carrying amount | | | | | |
| At 28 February 2021 | - | 422 | 15,035 | 13,605 | 29,062 |
| At 28 February 2020 | - | 883 | 7,247 | 27,809 | 35,939 |

6. Debtors

| | 28/02/21 £ | 29/02/20 £ |
|---------------|----------------|----------------|
| Trade debtors | 418,198 | 347,866 |
| Other debtors | 26,108 | 2,404 |
| | 444,306 | 350,270 |

7. Creditors: amounts falling due within one year

| | 28/02/21 | 29/02/20 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Bank loan | 6,677 | - |
| Trade creditors | 310,338 | 147,176 |
| Corporation tax | 4,594 | 27,690 |
| Social security and other taxes | 13,380 | 16,995 |
| Other creditors | 217,302 | 204,964 |
| | <u>552,291</u> | <u>396,825</u> |

Other creditors includes £212,416 owed to Barclays Bank plc (2020 : £178,960) in respect of factored debts who hold a charge over all monies due or become due from the company, under the terms of the agreement. The net obligations under finance leases and hire purchase contracts included within other creditors are secured.

8. Creditors: amounts falling due after more than one year

| | 28/02/21 | 29/02/20 |
|-----------------|---------------|------------|
| | £ | £ |
| Bank loan | 43,323 | - |
| Other creditors | 10,975 | 518 |
| | <u>54,298</u> | <u>518</u> |

The net obligations under finance leases and hire purchase contracts included within other creditors are secured.

Included within creditors: amounts falling due after more than one year is an amount of £ 3,131 (2020 £ -) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

9. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | £ | £ |
|--|-------|-------|
| Later than 1 year and not later than 5 years | - | 1,647 |
| | <hr/> | <hr/> |

10. Events after the end of the reporting period

The director has considered the impact of the COVID-19 crisis on the business operations and the impact on the financial performance of the company. The director believes that the company is well placed to manage its business risks despite the uncertain economic outlook.

11. Related party transactions

Mr Richard Degg is a related party by virtue of his directorship of and shareholding in the company. Mrs Cassandra Degg is a related party by virtue of her shareholding in the company. The director has provided a personal guarantee to Barclays Bank plc in respect of factored debts totalling £80,000.

12. Controlling party

No one party controls the company.

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.