

Company Registration No. 08552746 (England and Wales)

PROGARM LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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PROGARM LIMITED

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PROGARM LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		63,548		101,611
Current assets					
Stocks		1,673,363		1,172,174	
Debtors	5	1,067,706		1,818,340	
Cash at bank and in hand		359,964		15,354	
		<u>3,101,033</u>		<u>3,005,868</u>	
Creditors: amounts falling due within one year	6	<u>(1,057,867)</u>		<u>(962,595)</u>	
Net current assets			<u>2,043,166</u>		<u>2,043,273</u>
Total assets less current liabilities			<u>2,106,714</u>		<u>2,144,884</u>
Creditors: amounts falling due after more than one year	7		(3,092)		(20,562)
Provisions for liabilities			<u>(6,503)</u>		<u>(6,668)</u>
Net assets			<u><u>2,097,119</u></u>		<u><u>2,117,654</u></u>
Capital and reserves					
Called up share capital	9		200,115		200,115
Share premium account			7,190		7,190
Profit and loss reserves			<u>1,889,814</u>		<u>1,910,349</u>
Total equity			<u><u>2,097,119</u></u>		<u><u>2,117,654</u></u>

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

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

PROGARM LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved and signed by the director and authorised for issue on 12 March 2020

Mr A Arnett
Director

Company Registration No. 08552746

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Progarm Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unicorn House, Broad Lane, Gilberdyke, Brough, HU15 2TS.

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 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT. Turnover is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, being on dispatch of the goods.

1.4 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 3 years.

1.5 Tangible fixed assets

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

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

Leasehold improvements	33.33% straight line on cost
Plant and machinery	25% reducing balance
Office equipment	25% reducing balance or 25% straight line on cost
Motor vehicles	25% reducing balance or over the lease term

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.

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price.

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 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.

1.12 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.

1.13 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 17 (2018 - 16).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2019 and 31 December 2019	120,000
Amortisation and impairment	
At 1 January 2019 and 31 December 2019	120,000
Carrying amount	
At 31 December 2019	-
At 31 December 2018	-

4 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2019	9,587	5,203	98,284	89,484	202,558
Additions	-	697	15,515	-	16,212
Disposals	-	-	-	(53,925)	(53,925)
At 31 December 2019	9,587	5,900	113,799	35,559	164,845
Depreciation and impairment					
At 1 January 2019	9,587	2,523	57,279	31,558	100,947
Depreciation charged in the year	-	730	16,422	12,288	29,440
Eliminated in respect of disposals	-	-	-	(29,090)	(29,090)
At 31 December 2019	9,587	3,253	73,701	14,756	101,297
Carrying amount					
At 31 December 2019	-	2,647	40,098	20,803	63,548
At 31 December 2018	-	2,680	41,005	57,926	101,611

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	909,471	1,180,116
Other debtors	158,235	638,224
	<u>1,067,706</u>	<u>1,818,340</u>

6 Creditors: amounts falling due within one year	2019	2018
	£	£
Bank loans and overdrafts	-	244,454
Trade creditors	498,344	193,682
Taxation and social security	380,856	396,022
Other creditors	178,667	128,437
	<u>1,057,867</u>	<u>962,595</u>

Bank overdrafts totalling £Nil (2018: £244,454) are secured over all assets of the company. Finance lease obligations totalling £9,276 (2018: £16,940) are secured over the assets to which they relate.

7 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Other creditors	3,092	20,562
	<u>3,092</u>	<u>20,562</u>

Finance lease obligations totalling £3,092 (2018: £20,562) are secured over the assets to which they relate.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
	4,755	11,857
	<u>4,755</u>	<u>11,857</u>

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
200,000 Deferred shares of £1 each	200,000	200,000
80 Ordinary shares of £1 each	80	80
5 Ordinary A shares of £1 each	5	5
5 Ordinary B shares of £1 each	5	5
5 (2018: 10) Ordinary C shares of £1 each	5	10
10 Ordinary D shares of £1 each	10	10
3 Ordinary E shares of £1 each	3	3
2 Ordinary F shares of £1 each	2	2
5 (2018: 0) Ordinary G shares of £1 each	5	-
	<u>200,115</u>	<u>200,115</u>

On 14 March 2019, 5 Ordinary £1 C shares were reclassified as 5 Ordinary £1 G shares.

10 Related party transactions

Amounts owed to/by related parties

The following amounts were outstanding at the reporting end date:

Category	Amount owed to		Amounts owed by	
	2019	2018	2019	2018
	£	£	£	£
Key management personnel	4	-	-	309,148

11 Directors' transactions

Description	% Rate	Opening balance	Amounts advanced	Interest charged	Amounts repaid	Closing balance
		£	£	£	£	£
Advance	2.50	309,148	156,400	3,710	(469,258)	-
		<u>309,148</u>	<u>156,400</u>	<u>3,710</u>	<u>(469,258)</u>	<u>-</u>

The advance was unsecured and repayable on demand.

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.