

Company registration number 08552746 (England and Wales)

PROGARM LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PAGES FOR FILING WITH REGISTRAR

PROGARM LIMITED

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PROGARM LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	3	120,598		97,843	
Tangible assets	4	211,119		109,602	
			<u>331,717</u>		<u>207,445</u>
Current assets					
Stocks		2,451,374		1,587,121	
Debtors	5	2,340,507		1,118,992	
Cash at bank and in hand		459,553		1,353,658	
		<u>5,251,434</u>		<u>4,059,771</u>	
Creditors: amounts falling due within one year	6	<u>(2,279,565)</u>		<u>(1,594,311)</u>	
Net current assets			<u>2,971,869</u>		<u>2,465,460</u>
Total assets less current liabilities			<u>3,303,586</u>		<u>2,672,905</u>
Provisions for liabilities			<u>(63,629)</u>		<u>(27,593)</u>
Net assets			<u><u>3,239,957</u></u>		<u><u>2,645,312</u></u>
Capital and reserves					
Called up share capital	7	200,115		200,115	
Share premium account		7,190		7,190	
Profit and loss reserves		3,032,652		2,438,007	
Total equity			<u><u>3,239,957</u></u>		<u><u>2,645,312</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 2021 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 2021

The financial statements were approved and signed by the director and authorised for issue on 7 August 2022

Mr A Arnett
Director

Company Registration No. 08552746

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Whilst the company was impacted by the Covid-19 pandemic, it adapted working practices in line with government guidelines, maintaining operations throughout the lockdown periods and to date. During this time the company did not require any additional cash funding. The director is confident that the company will be able to meet all liabilities as they are expected to fall for at least the next twelve months.

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 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	2 years straight line
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PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 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	Straight line over the life of the lease
Plant and machinery	5 years straight line
Office equipment	6 years straight line
Computer equipment	3 years straight line
Motor vehicles	4 years straight line

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.

1.7 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.

1.8 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, 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.

1.9 Cash and cash equivalents

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.

1.10 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.

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include #tErm6, loans to related parties 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 and loans from related parties, 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.

1.11 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.

1.12 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.

1.13 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.

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as hire purchase 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 hire purchase 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 hire purchase 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.

1.15 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 in the period are included in profit or loss.

2 Employees

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

	2021 Number	2020 Number
Total	23	19

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Intangible fixed assets

	Goodwill £	Software £	Total £
Cost			
At 1 January 2021	120,000	97,843	217,843
Additions	-	82,961	82,961
At 31 December 2021	120,000	180,804	300,804
Amortisation and impairment			
At 1 January 2021	120,000	-	120,000
Amortisation charged for the year	-	60,206	60,206
At 31 December 2021	120,000	60,206	180,206
Carrying amount			
At 31 December 2021	-	120,598	120,598
At 31 December 2020	-	97,843	97,843

4 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2021	9,587	13,199	-	138,039	81,988	242,813
Additions	36,343	21,949	93,792	34,533	-	186,617
Disposals	(9,587)	-	-	(81,299)	(35,559)	(126,445)
Transfers	-	6,000	4,597	(10,597)	-	-
At 31 December 2021	36,343	41,148	98,389	80,676	46,429	302,985
Depreciation and impairment						
At 1 January 2021	9,587	4,673	-	90,574	28,377	133,211
Depreciation charged in the year	6,997	5,731	12,345	23,326	13,544	61,943
Eliminated in respect of disposals	(9,587)	-	-	(70,153)	(23,548)	(103,288)
Transfers	-	875	480	(1,355)	-	-
At 31 December 2021	6,997	11,279	12,825	42,392	18,373	91,866
Carrying amount						
At 31 December 2021	29,346	29,869	85,564	38,284	28,056	211,119
At 31 December 2020	-	8,526	-	47,465	53,611	109,602

PROGARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	1,678,039	766,506
Other debtors	662,468	352,486
	<u>2,340,507</u>	<u>1,118,992</u>

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	997,599	543,651
Taxation and social security	616,028	696,134
Other creditors	665,938	354,526
	<u>2,279,565</u>	<u>1,594,311</u>

Hire purchase obligations totalling £Nil (2020: £3,092) are secured over the assets to which they relate.

7 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Deferred shares of 1p each	20,000,000	200,000	200,000	200,000
Ordinary shares of 1p each	7,137	80	71	80
Ordinary A shares of 1p each	500	5	5	5
Ordinary B shares of 1p each	500	5	5	5
Ordinary C shares of 1p each	1,000	5	10	10
Ordinary D shares of 1p each	1,000	10	10	10
Ordinary E shares of 1p each	300	3	3	3
Ordinary F shares of 1p each	200	2	2	2
Ordinary G shares of 1p each	863	5	9	-
	<u>20,011,500</u>	<u>200,115</u>	<u>200,115</u>	<u>200,115</u>

The Ordinary, Ordinary A, Ordinary B, Ordinary C, Ordinary D, Ordinary E, Ordinary F and Ordinary G shares carry voting rights of one vote per share. The deferred shares have no voting rights. All shares have differing rights to dividends.

On 16 July 2021, the 80 £1 Ordinary shares were sub-divided into 8,000 1p Ordinary shares, 5 £1 A Ordinary shares were sub-divided into 500 1p A Ordinary shares, 5 £1 B Ordinary shares were sub-divided into 500 1p B Ordinary shares, 10 £1 C Ordinary shares were sub-divided into 1,000 1p C Ordinary shares, 10 £1 D Ordinary shares were sub-divided into 1,000 1p D Ordinary shares, 3 £1 E Ordinary shares were sub-divided into 300 1p E Ordinary shares, 2 £1 D Ordinary shares were sub-divided into 200 1p F Ordinary shares and 200,000 £1 Deferred shares were sub-divided into 20,000,000 1p Deferred shares. Subsequently 863 1p Ordinary shares were re-classified as 863 1p G Ordinary shares.

PROGARM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2021**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:

2021	2020
£	£
272,969	19,023
<u>272,969</u>	<u>19,023</u>

9 Related party transactions**Balances with related parties**

The following amounts were outstanding at the reporting end date:

Category	Amounts owed by related parties		Amounts owed to related parties	
	2021	2020	2021	2020
	£	£	£	£
Key management personnel	-	-	25,749	-
	<u>-</u>	<u>-</u>	<u>25,749</u>	<u>-</u>

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.