

Firth Construction Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020

Firth Construction Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>8</u>

Firth Construction Limited

Company Information

Director	Mr L D Firth
Registered office	Unit D Broadaxe Business Park Presteigne Powys LD8 2UH
Accountants	Mitchell Meredith Limited The Exchange Fiveways Temple Street Llandrindod Wells Powys LD1 5HG

Firth Construction Limited
(Registration number: 09855536)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	108,613	108,807
Current assets			
Stocks	<u>5</u>	750	980
Debtors	<u>6</u>	27,026	62,439
Cash at bank and in hand		55,375	22,520
		83,151	85,939
Creditors: Amounts falling due within one year	<u>7</u>	(135,553)	(153,814)
Net current liabilities		(52,402)	(67,875)
Total assets less current liabilities		56,211	40,932
Creditors: Amounts falling due after more than one year	<u>7</u>	(38,662)	(32,309)
Provisions for liabilities		(14,013)	-
Net assets		3,536	8,623
Capital and reserves			
Called up share capital		100	100
Profit and loss account		3,436	8,523
Shareholders' funds		3,536	8,623

Firth Construction Limited
(Registration number: 09855536)
Balance Sheet as at 31 March 2020

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 28 June 2021

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Mr L D Firth
Director

Firth Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit D
Broadaxe Business Park
Presteigne
Powys
LD8 2UH
Wales

These financial statements were authorised for issue by the director on 28 June 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis. At the balance sheet date the company had net current liabilities of £52,402. However, included in creditors is a loan from the director of £100,637. The director believes that with this continued support it is appropriate to prepare the accounts on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Firth Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Motor vehicles	20% reducing balance
Furniture and fittings	15% reducing balance
Office equipment	20% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Firth Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 3 (2019 - 1).

Firth Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 April 2019	3,204	67,500	59,900	130,604
Additions	2,113	18,000	2,750	22,863
At 31 March 2020	5,317	85,500	62,650	153,467
Depreciation				
At 1 April 2019	382	7,000	14,415	21,797
Charge for the year	669	12,500	9,888	23,057
At 31 March 2020	1,051	19,500	24,303	44,854
Carrying amount				
At 31 March 2020	4,266	66,000	38,347	108,613
At 31 March 2019	2,822	60,500	45,485	108,807

5 Stocks

	2020 £	2019 £
Stock	750	980

6 Debtors

	2020 £	2019 £
Trade debtors	25,987	56,962
Social Security and other taxes	1,039	5,477
	27,026	62,439

Firth Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Bank loans and overdrafts	10,300	8,060
Trade creditors	8,880	38,134
Taxation and social security	1,165	1,193
Accruals and deferred income	1,415	1,195
Corporation tax	13,156	3,150
Directors loan	100,637	102,082
	<u>135,553</u>	<u>153,814</u>

Creditors: amounts falling due after more than one year

	2020 £	2019 £
Due after one year		
Loans and borrowings	8 <u>38,662</u>	<u>32,309</u>

8 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	15,723	20,201
HP and finance lease liabilities	<u>22,939</u>	<u>12,108</u>
	<u>38,662</u>	<u>32,309</u>

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	4,636	4,297
HP and finance lease liability	<u>5,664</u>	<u>3,763</u>
	<u>10,300</u>	<u>8,060</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.