

Company Registration No. 10130317 (England and Wales)

**PENCHARD LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# **PENCHARD LTD**

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# PENCHARD LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	3		22,581		39,633
Tangible assets	4		433,199		378,111
			<u>455,780</u>		<u>417,744</u>
<b>Current assets</b>					
Stocks		268,762		197,851	
Debtors	5	1,302,028		966,015	
Cash at bank and in hand		1,622,694		1,041,846	
		<u>3,193,484</u>		<u>2,205,712</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(1,937,689)</u>		<u>(1,459,992)</u>	
<b>Net current assets</b>			<u>1,255,795</u>		<u>745,720</u>
<b>Total assets less current liabilities</b>			<u>1,711,575</u>		<u>1,163,464</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(56,480)		(25,919)
<b>Provisions for liabilities</b>			<u>(51,097)</u>		<u>(54,209)</u>
<b>Net assets</b>			<u><u>1,603,998</u></u>		<u><u>1,083,336</u></u>
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			1,603,898		1,083,236
<b>Total equity</b>			<u><u>1,603,998</u></u>		<u><u>1,083,336</u></u>

The directors of the company have 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 directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has 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.

## **PENCHARD LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2019***

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The financial statements were approved by the board of directors and authorised for issue on 28 September 2020 and are signed on its behalf by:

Mr B J Diplock  
**Director**

**Company Registration No. 10130317**

# PENCHARD LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

#### Company information

Penchard Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Manor Farm, Abbots Ann, Andover, SP11 7DB.

#### 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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### 1.3 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 five years.

#### 1.4 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.

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

Patents & licences	20% on cost
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#### 1.5 Tangible fixed assets

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

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

Plant and equipment	20% on cost
Fixtures and fittings	10% on cost
Office equipment	20% on cost
Motor vehicles	25% on cost

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.

# PENCHARD LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 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 the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

#### 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 and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, 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.

#### 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.

# PENCHARD LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **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 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.14 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.

### 2 Employees

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

	2019 Number	2018 Number
Total	29	25
	<u>          </u>	<u>          </u>

# PENCHARD LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 3 Intangible fixed assets

	Goodwill £	Other £	Total £
<b>Cost</b>			
At 1 January 2019 and 31 December 2019	82,915	2,349	85,264
<b>Amortisation and impairment</b>			
At 1 January 2019	44,221	1,410	45,631
Amortisation charged for the year	16,583	469	17,052
At 31 December 2019	60,804	1,879	62,683
<b>Carrying amount</b>			
At 31 December 2019	22,111	470	22,581
At 31 December 2018	38,694	939	39,633

### 4 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Office equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2019	302,106	55,342	25,884	245,108	628,440
Additions	1,171	7,390	9,726	184,522	202,809
Disposals	-	-	-	(1,130)	(1,130)
At 31 December 2019	303,277	62,732	35,610	428,500	830,119
<b>Depreciation and impairment</b>					
At 1 January 2019	103,749	12,552	12,816	121,212	250,329
Depreciation charged in the year	60,534	5,794	5,754	75,614	147,696
Eliminated in respect of disposals	-	-	-	(1,105)	(1,105)
At 31 December 2019	164,283	18,346	18,570	195,721	396,920
<b>Carrying amount</b>					
At 31 December 2019	138,994	44,386	17,040	232,779	433,199
At 31 December 2018	198,357	42,790	13,068	123,896	378,111



# PENCHARD LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 5 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,231,978	916,244
Corporation tax recoverable	-	12,126
Other debtors	50,881	31,996
Prepayments and accrued income	19,169	5,649
	<u>1,302,028</u>	<u>966,015</u>

### 6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Obligations under finance leases	49,130	29,566
Other borrowings	279,428	326,318
Trade creditors	93,975	36,728
Taxation and social security	349,589	253,164
Other creditors	11,965	1,685
Accruals and deferred income	1,153,602	812,531
	<u>1,937,689</u>	<u>1,459,992</u>

### 7 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Obligations under finance leases	56,480	25,919

Hire purchase contracts and finance leases are secured on the assets concerned.

### 8 Related party transactions

Included within other borrowings due within one year are loans from directors totalling £279,428 (2018 - £326,318). The loans have been made on an interest free basis and are repayable on demand.

### 9 Directors' transactions

Included within other debtors due within one year are loans to directors totalling £35,277 (2018 - £20,318). The loans have been made on an interest free basis and are 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.