

Jerath Holdings Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2023

Jerath Holdings Limited

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Jerath Holdings Limited

Company Information

Director	Mr R Jerath
Registered office	27 Woolsington Park South Woolsington Newcastle upon Tyne Tyne and Wear NE13 8BJ
Accountants	McManus Hall Ltd C11 Marquis Court Team Valley Gateshead Tyne and Wear NE11 0RU

Jerath Holdings Limited

Director's Report for the Year Ended 30 April 2023

The director presents his report and the financial statements for the year ended 30 April 2023.

Director of the company

The director who held office during the year was as follows:

Mr R Jerath

Principal activity

The principal activity of the company is a motor dealer.

Small companies provision statement

This report has 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.

Statement of directors' responsibilities

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised by the director on 31 January 2024

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Mr R Jerath

Director

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Jerath Holdings Limited
for the Year Ended 30 April 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Jerath Holdings Limited for the year ended 30 April 2023 as set out on pages 4 to 15 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Jerath Holdings Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Jerath Holdings Limited and state those matters that we have agreed to state to the Board of Directors of Jerath Holdings Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Jerath Holdings Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Jerath Holdings Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Jerath Holdings Limited. You consider that Jerath Holdings Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Jerath Holdings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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McManus Hall Ltd
C11 Marquis Court
Team Valley
Gateshead
Tyne and Wear
NE11 0RU

31 January 2024

Jerath Holdings Limited

Profit and Loss Account for the Year Ended 30 April 2023

	Note	2023 £	2022 £
Turnover		1,114,888	1,608,749
Cost of sales		<u>(1,072,676)</u>	<u>(1,537,839)</u>
Gross profit		42,212	70,910
Administrative expenses		<u>(28,587)</u>	<u>(39,274)</u>
Operating profit		13,625	31,636
Interest payable and similar expenses		<u>(3,608)</u>	-
Profit before tax	<u>4</u>	<u>10,017</u>	<u>31,636</u>
Profit for the financial year		<u><u>10,017</u></u>	<u><u>31,636</u></u>

Jerath Holdings Limited

Profit and Loss Account and Statement of Retained Earnings for the Year Ended 30 April 2023

	Note	2023 £	2022 £
Turnover		1,114,888	1,608,749
Cost of sales		<u>(1,072,676)</u>	<u>(1,537,839)</u>
Gross profit		42,212	70,910
Administrative expenses		<u>(28,587)</u>	<u>(39,274)</u>
Operating profit		<u>13,625</u>	<u>31,636</u>
Interest payable and similar charges		<u>(3,608)</u>	<u>-</u>
		<u>(3,608)</u>	<u>-</u>
Profit before tax	<u>4</u>	<u>10,017</u>	<u>31,636</u>
Profit for the financial year		10,017	31,636
Retained earnings brought forward		<u>(48,366)</u>	<u>(80,002)</u>
Retained earnings carried forward		<u><u>(38,349)</u></u>	<u><u>(48,366)</u></u>

Jerath Holdings Limited
(Registration number: 11959198)
Balance Sheet as at 30 April 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>5</u>	1,584	3,439
Investment property	<u>6</u>	451,180	346,371
		<u>452,764</u>	<u>349,810</u>
Current assets			
Stocks	<u>7</u>	975,205	441,173
Debtors	<u>8</u>	53,000	143,500
Cash at bank and in hand		25,175	26,800
		1,053,380	611,473
Creditors: Amounts falling due within one year	<u>9</u>	(141,452)	(16,849)
Net current assets		<u>911,928</u>	<u>594,624</u>
Total assets less current liabilities		1,364,692	944,434
Creditors: Amounts falling due after more than one year	<u>9</u>	(1,253,249)	(901,533)
Net assets		<u>111,443</u>	<u>42,901</u>
Capital and reserves			
Called up share capital	<u>10</u>	100	100
Revaluation reserve		149,692	91,167
Retained earnings		(38,349)	(48,366)
Shareholders' funds		<u>111,443</u>	<u>42,901</u>

For the financial year ending 30 April 2023 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.

Approved and authorised by the director on 31 January 2024

Jerath Holdings Limited
(Registration number: 11959198)
Balance Sheet as at 30 April 2023

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Mr R Jerath
Director

Jerath Holdings Limited

Statement of Changes in Equity for the Year Ended 30 April 2023

	Share capital £	Revaluation reserve £	Retained earnings £	Total £
At 1 May 2022	100	91,167	(48,366)	42,901
Profit for the year	-	-	10,017	10,017
Other comprehensive income	-	58,525	-	58,525
Total comprehensive income	-	58,525	10,017	68,542
At 30 April 2023	100	149,692	(38,349)	111,443
	Share capital £	Revaluation reserve £	Retained earnings £	Total £
At 1 May 2021	100	91,167	(80,002)	11,265
Profit for the year	-	-	31,636	31,636
At 30 April 2022	100	91,167	(48,366)	42,901

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

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:

27 Woolsington Park South
Woolsington
Newcastle upon Tyne
Tyne and Wear
NE13 8BJ

These financial statements were authorised for issue by the director on 31 January 2024.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

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.

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:

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

Asset class	Depreciation method and rate
Office equipment	25% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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 initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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 less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 1 (2022 - 1).

4 Profit before tax

Arrived at after charging/(crediting)

	2023 £	2022 £
Depreciation expense	1,854	1,855

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

5 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 May 2022	7,419	7,419
At 30 April 2023	7,419	7,419
Depreciation		
At 1 May 2022	3,980	3,980
Charge for the year	1,855	1,855
At 30 April 2023	5,835	5,835
Carrying amount		
At 30 April 2023	1,584	1,584
At 30 April 2022	3,439	3,439

6 Investments

	2023 £
At 1 May	346,371
Additions	46,284
Fair value adjustments	58,525
At 30 April	451,180

7 Stocks

	2023 £	2022 £
Other inventories	975,205	441,173

8 Debtors

	2023 £	2022 £
Current		
Trade debtors	10,000	-
Prepayments	43,000	143,500
	53,000	143,500

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

9 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Bank loans and overdrafts	<u>12</u>	5,000	5,000
trade creditors		134,788	102
Taxation and social security		1,665	11,748
Other creditors		<u>(1)</u>	<u>(1)</u>
		<u>141,452</u>	<u>16,849</u>

Due after one year

Loans and borrowings	<u>12</u>	<u>1,253,249</u>	<u>901,533</u>
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Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	<u>12</u>	<u>1,253,249</u>	<u>901,533</u>

10 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

11 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Total £
Surplus/deficit on revaluation of other assets	<u>58,525</u>	<u>58,525</u>

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

12 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	36,674	43,202
Other borrowings	1,216,575	858,331
	<u>1,253,249</u>	<u>901,533</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	<u>5,000</u>	<u>5,000</u>

13 Related party transactions

Jerath Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

Director's remuneration

The director's remuneration for the year was as follows:

	2023	2022
	£	£
Remuneration	<u>14,539</u>	<u>15,372</u>

Jerath Holdings Limited

Detailed Profit and Loss Account for the Year Ended 30 April 2023

	2023 £	2022 £
Turnover		
Sale of goods, UK	1,114,841	1,603,610
Interest received	47	72
Grants and subsidies	-	5,067
	<u>1,114,888</u>	<u>1,608,749</u>
Changes in stocks of finished goods and work in progress		
Opening finished goods	(441,173)	(349,625)
Closing finished goods	975,205	441,173
	<u>534,032</u>	<u>91,548</u>
Raw materials and consumables used		
Purchases	(1,602,931)	(1,590,129)
Direct costs	<u>(3,777)</u>	<u>(39,258)</u>
	<u>(1,606,708)</u>	<u>(1,629,387)</u>
Employee benefits expense		
Directors remuneration	(14,539)	(15,372)
Directors NIC (Employers)	<u>(791)</u>	<u>(900)</u>
	<u>(15,330)</u>	<u>(16,272)</u>
Depreciation and amortisation expense		
Depreciation of office equipment (owned)	<u>(1,854)</u>	<u>(1,855)</u>
Other expenses		
Insurance	(3,783)	(2,667)
Repairs and maintenance	(21)	(932)
Computer software and maintenance costs	(671)	(361)
Motor expenses	-	(25)
Travel and subsistence	(1,949)	(12,191)
Customer entertaining (disallowable for tax)	(2,525)	(121)
Accountancy fees	(2,135)	(1,835)
Bank charges	<u>(319)</u>	<u>(3,015)</u>
	<u>(11,403)</u>	<u>(21,147)</u>
Interest payable and similar expenses		
Bank interest payable	<u>(3,608)</u>	<u>-</u>

This page does not form part of the statutory financial statements

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.